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UNIVERSITY OF ALBERTA

Strategy in Nonprofit Sport Organizations

by

Lucie Thibault

A thesis submitted to the Faculty of Graduate Studies and Research in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

DEPARTMENT OF PHYSICAL EDUCATION AND SPORT STUDIES
FACULTY OF GRADUATE STUDIES AND RESEARCH

Edmonton, Alberta
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Abstract

The purpose of this dissertation was to investigate the strategy process in nonprofit sport organizations. The first part of the investigation consisted of the development of a framework. In this framework, key strategic imperatives for the domestic sport activities of nonprofit sport organizations were identified. These imperatives were: fundability, size of client base, volunteer appeal, support group appeal, equipment costs, and affiliation fees. The identification of these six imperatives along two dimensions, program attractiveness and competitive position, allowed the researcher to determine the organizations' domestic sport context. This led to the proposition of four expected strategic types according to the nonprofit sport organizations' domestic sport context. These types were: enhancer, refiner, innovator, and explorer.

The second part of the study consisted of the empirical verification of the strategy framework. With the operationalization of the imperatives, data were collected for 32 national sport organizations (NSOs). These organizations were selected because they were involved in a government-initiated strategic planning program for their domestic sport activities. Empirical support was evident for the two dimensions postulated in the framework, program attractiveness and competitive position. These dimensions were well represented in the principal components' solution. By retaining the components scores of each cases included in the sample, it was possible to plot the NSOs on a graph and to determine their expected strategic type based on the domestic sport imperatives.

The third part of the research focused on the analysis of the NSOs' strategic planning documents. National sport organizations' planned strategies were analyzed using the six imperatives identified in the framework along a six-point Likert scale. In considering the organizations' expected strategies determined in the previous part of the research, it was possible to analyze the extent and the direction of changes NSOs are proposing to make for their domestic sport activities. Overall, the majority of organizations intended to make most of their changes along the dimension of program attractiveness.

In the fourth part, the focus of the study was on the implementation process of the strategies. Using the data from the previous parts of this dissertation and collecting data on the imperatives two years into the implementation process, it was possible to speculate on the performance of NSOs in carrying out the intentions set out in their strategies. Overall, organizations have planned to make several changes to their domestic sport activities, however, after two years into the implementation process of their strategy, very few changes have actually occurred. Issues about domestic sport strategic planning as well as about the commitment to change are raised.

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Table of Contents

Chapter		Page
1	Introduction	1
2	A framework for the analysis of strategy in nonprofit sport organizations	12
	National sport organizations in Canada	14
	The development of a framework for the analysis of strategy	19
	Strategic types for national sport organizations	27
	Conclusion	32
	Bibliography	36
3	Strategic planning for nonprofit sport organizations: The empirical verification of a framework and location of strategic types	40
	The research site	42
	Methods	42
	Results	46
	Discussion	48
	Conclusion	55
	Bibliography	59
4	Strategy formulation in nonprofit sport organizations: Relating environment to planned strategy	62
	The research site	67
	Methods	69
	Results and Discussion	78
	Conclusion	86
	Bibliography	94
5	Strategy and performance in nonprofit sport organizations	98
	Methods	101
	Results and Discussion	105
	Conclusion	119
	Bibliography	125
6	Conclusion	128
	Appendices	142
	List of national sport organizations in the sample and their acronyms	142
	Questionnaire for plan analysis	143

List of Tables

Table 2.1	Characteristics of NSOs' by strategic type	35
Table 3.1	Rotated factor matrix for the strategic imperatives	56
Table 3.2	Means and standard deviations for sample and strategic types	58
Table 4.1	Procedures used to determine Likert scale values	88
Table 4.2	Means and standard deviations of the starting point, the planned strategy, and the differences between the two scores by strategy types along the dimensions of program attractiveness and competitive position	93
Table 5.1	Means and standard deviations of T1, T2, and differences between T1 and T2	121
Table 5.2	Means and standard deviations of the differences between T1 and T2 according to strategic types	121
Table 5.3	Standardized data for the sample along T1, Tplan, and T2	122
Table 5.4	T1, Tplan, and T2 descriptive statistics for enhancers	123
Table 5.5	T1, Tplan, and T2 descriptive statistics for refiners	123
Table 5.6	T1, Tplan, and T2 descriptive statistics for innovators	124
Table 5.7	T1, Tplan, and T2 descriptive statistics for explorers	124

List of Figures

Figure 2.1 NSOs' domestic sport strategic types 34

Figure 3.1 Plot of NSOs' principal components scores 57

Figure 4.1 Enhancers' starting points and planned strategies..... 89

Figure 4.2 Refiners' starting points and planned strategies 90

Figure 4.3 Innovators' starting points and planned strategies 91

Figure 4.4 Explorers' starting points and planned strategies..... 92

CHAPTER 1
Introduction

It is estimated that, every year, Canadians spend "nearly $4.5 billion on products and services ranging from hiking trips to fitness club fees" (Todd, 1990). Dubin (1990, p. 3) also noted that

> ... some seven or eight million Canadians are engaged at one time or another in activities relating to organized sport, and many more millions follow sport daily through the media. More than three million Canadians belong to amateur sport organizations and engage in some level of competition. A further one-and-a-half million Canadians are involved as volunteers, coaches, and staff.

Figures, such as these, suggest that sport occupies a very important place in Canadian culture. As such, the manner in which it is delivered will have a tremendous impact on the lifestyles of many Canadians.

The sport delivery system in Canada has long been conceptualized as consisting of two major components: domestic sport and high performance sport (cf. Campagnolo, 1979; Regan, 1981; Task Force Report, 1988). While the focus of this research project is on domestic sport, it is important to note that neither component can be considered in isolation from the other. Domestic sport is defined as "all levels of sport activity below (in performance terms) the high performance level" (Task Force Report, 1988, p. 38). As such, members of the task force suggest that "participants in domestic sport may be interested in friendly competition for recreational purposes or may have personal aspirations to progress through the developmental levels of domestic sport" (Task Force Report, 1988, p. 38). In other words, domestic sport includes all activities and programs which are not practiced or carried out at the elite/international competitive level although they may be a stepping stone to this level.

In contrast to domestic sport, high performance sport deals with the attainment of the highest level of performance in international competition (Task Force Report, 1988). As such, it involves the development of the sporting abilities of Canadian athletes in order for them to represent their country in events such as World Championships, Olympic, or Commonwealth Games (Task Force Report, 1988). As these two definitions

show, high performance sport and domestic sport are, or at least should be, interdependent elements of our sport delivery system. This interdependence is demonstrated by the fact that domestic sport is considered by many to be a major building block in the achievement of excellence in high performance sport (Macintosh, Bedecki, & Franks, 1987; Personne, 1987; Task Force Report, 1988). In addition, it is a common belief in national sport organizations (NSOs) that in order to achieve elite performances at major competitive events, a solid and wide base of participants/athletes has to be developed (cf. Thibault, 1987).

The dependence of domestic sport development on high performance sport is demonstrated by the fact that elite athletes can attract future athletes to the sport, thus contributing to an increase in the domestic sport component of the organization. Successful elite athletes in a particular sport may become role models for children. These children may eventually decide to join a sport to emulate these role models; thus contributing to a potential increase in membership. In the past, top athletic performances have been positively correlated with an increase in membership in a sport. Such was the case in 1984, in rhythmic gymnastics, following the successful performances of Lori Fung at the Olympic Games (Canadian Rhythmic Sportive Gymnastics Federation, 1988). Rowing Canada also benefited from an influx of members following the success of the Canadian rowing team at the 1992 Olympic Games (cf. Faulder, 1992; Myles, 1992).

Even though the components of high performance sport and domestic sport can complement each other's development, our Canadian sport delivery system has, in the past, tended to be primarily concerned with high performance sport. For example, as the first Task Force Report released in 1969 outlined, the Canadian government justified its involvement in sport because of its potential in terms of "national pride and consciousness" (1969, p. 15). However, the contributions of pride, unity, and consciousness associated with sport were primarily measured by the number of medals won in international competitions, by the international standings of Canadian athletes, and by their performances at major championships. By recognizing the potential benefits of high performance sport for Canada, the federal government began to focus their efforts and monies on that particular component of the delivery system. As Macintosh et al. (1987, p. 76) state,

> the federal government saw sport as an instrument to achieve the goal of national unity. But embracing sport in this manner meant a commitment to success on the international sport scene. In allying itself with elite [high performance] sport, the federal government was inextricably tied to improving Canada's future international sport fortunes.

The federal government further consolidated its support of high performance sport in 1979, with the publication of the document entitled Partners in Pursuit of Excellence A National Policy on Amateur Sport. In this document, specific roles to be played by the various actors in the sport delivery system were proposed. Iona Campagnolo, the Minister of State for Fitness and Amateur Sport at the time, emphasized the importance of creating partnerships between the federal government and all other related organizations (i.e., NSOs, provincial governments, provincial sport organizations, local sport organizations, and municipal governments). In proposing these partnerships, Campagnolo saw fit to assign specific roles to each type of organization included on her list. In general, she believed that national agencies (including the federal government, NSOs, and national service and multi-sport organizations) would be in charge of coordinating and implementing national and international programs (i.e., high performance sport) and, furthermore, that the focus of these agencies should be the pursuit of excellence in athletic performances. Provincial and municipal agencies (i.e., provincial governments, provincial sport organizations, municipal governments and local sport clubs) were "assigned" the responsibility of implementing grass root developmental programs (i.e., domestic sport).

This pattern of involvement in high performance sport was, once again, reinforced in a subsequent federal government document. A Challenge to the Nation Fitness and Amateur Sport in the 80's made it clear that the federal government was to specifically focus on high performance sport. The report stated: "the federal role is to assist, support, encourage, promote and evaluate the development of high performance sport" (Regan, 1981, p. 7). However, along with this focus, the federal government did acknowledge the importance of domestic sport. For funding purposes, it was suggested that priority be given to sport organizations which were broad-

based, that is organizations which catered to domestic sport. However, as Macintosh et al. (1987) note, this suggestion was never actually enforced.

The emphasis on high performance sport was underscored yet again, when Calgary was chosen as the site for the 1988 winter Olympic Games. The federal government, in particular Sport Canada, decided, at the time, to devise a program which would allow NSOs to improve their high performance sport operations in order to develop their athletes and consequently, enhance their performances at the Calgary Games. This program, entitled Best Ever '88, required winter sport organizations to develop comprehensive long range plans for the time period of 1983-88 in exchange for additional financial support. According to Kidd (1988, p. 20), this increase in financial support was "justified in terms of additional medals." The planning program with its financial incentive was perceived as a viable way to increase the number of medals won at the 1988 Olympic Games, and in turn, to enhance the political visibility of the country. Given the favourable response of the program from the winter Olympic NSOs, the Quadrennial Planning Program was introduced for summer Olympic NSOs. The plans produced by these organizations were to focus exclusively on the high performance component of the sport. Sport Canada ensured this emphasis by providing incentives (mostly financial) to these organizations (Slack & Hinings, 1987; 1992).

While some researchers have questioned the federal government's involvement in high performance sport at the expense of domestic sport (cf. Kidd, 1981; Macintosh, 1988; Macintosh & Whitson, 1990), it was not until the late 1980s, that the consideration of domestic sport development became an important strategic issue in the Canadian sport delivery system (cf. Sport Canada, 1988). Members of NSOs were concerned about the lack of attention and importance their organizations were giving domestic sport relative to high performance sport (cf. Sport Canada, 1989; Thibault, 1987). They felt that their quadrennial plan for the 1984-88 period had focused exclusively on high performance sport. That is, for four years, NSOs had invested all their efforts, energies, and resources into their high performance sport programs. Very little attention was given to the domestic sport activities of the organizations. As a result of the high performance sport focus, some members of NSOs believed that their sport would eventually be faced with insufficient "up and coming" athletes being developed in the sport. Without a large pool of

participants being developed at the base, members questioned the future of their sport (cf. Thibault, 1987).

In addition to this increased concern about domestic sport, a 1988 Task Force Report examined the Canadian sport delivery system and outlined the need to consider both high performance sport and domestic sport as vital elements of this system. As suggested in this report,

> programs should encourage new participants, but also ensure that those who are already participating have a positive experience and are motivated to continue their involvement. Talented individuals should have the opportunity to move through a domestic sport system which enables them to develop and eventually excel at the highest international level. (1988, p. 10)

Members of the task force were, essentially, proposing ways to improve the sport delivery system. In doing so, they emphasized the importance of developing a strategy for domestic sport.

With the events surrounding the 1988 summer Olympic Games' drug scandal (cf. Dubin, 1990), members of the amateur sport community were forced to re-examine the Canadian sport delivery system. In essence, through this re-examination, sport leaders questioned the consequences of the singular focus on international sporting excellence by Canadian athletes.

Although the primary focus of the Dubin (1990) report was to address issues of drug use and banned practices in amateur sport, in general, and specifically within the Canadian Track and Field Association (now Athletics Canada) and the Canadian Weightlifting Federation, it also dealt with the Canadian sport delivery system. Dubin (1990, p. 525) reported that,

> as the degree of involvement in and funding of sport [by the federal government] has increased, there has been a shift of emphasis in the nature and focus of that involvement. While task force reports and government white papers acknowledge the broad objectives set forth above and the benefits of widely based participation in sport, in fact government support of sport, particularly since the mid-1970s, has more and more been channelled towards the narrow objective of winning medals in international competition.

Dubin's criticisms of the state of the amateur sport delivery system was reflective of the concerns of numerous individuals actively involved in the system (e.g., administrators, officials, coaches, athletes).

From an organizational perspective, prior to 1988, no set plan or strategy to develop domestic sport was ever formally undertaken. Domestic sport was essentially left to emerge. Emergent strategies limited NSOs in the extent to which they could be proactive about their domestic sport intentions. Furthermore, since domestic sport was the "unofficial" responsibility of provincial and local agencies (e.g., provincial governments, provincial sport organizations, municipal governments, clubs) (Campagnolo, 1979), it was not perceived as an area of high prority for the federal government. However, because of an increased concern over the singular focus on high performance sport and an awareness about the potential of both high performance and domestic sport as integral components of a holistic sport delivery system, the perception of domestic sport changed. Domestic sport came to be viewed more favourably as members of NSOs and officials within the government realized its important contribution to the sport delivery system.

Even though the federal government and NSOs have recently placed an increased emphasis on domestic sport, the difficulties associated with developing and implementing a domestic sport strategy are complex and merit examination. Relative to domestic sport, high performance sport in Canada consists of a highly concentrated system. Specifically, the high performance sport system is comprised of a select group of "technical experts" (i.e., coaches, high performance/technical directors, medical support personnel) who are involved in the development of a few elite athletes. These individuals usually work in close proximity with their athletes, sometimes in high performance sport training centres. As well, they have an opportunity to meet regularly on a number of occasions throughout the year during such events as national team training camps and national and international competitions. Furthermore, several sports are concentrated in certain geographical areas because of resources (e.g., facilities, key technical experts in the sport) or simply because of tradition or culture (e.g., team handball in Québec). In other words, the development and the delivery of programs and activities is facilitated by the concentrated nature of high performance sport.

The delivery of domestic sport programs is not as strategically focused or geographically concentrated as the delivery of high performance sport programs. As such, domestic sport strategies have to be different than high performance strategies. Domestic sport programs and activities have to be delivered in a more dispersed fashion. This dispersion is necessary for several reasons. Specifically, in order to ensure an appropriate delivery of domestic sport programs, the involvement of a number of agencies and organizations is required. For example, the federal government, NSOs, provincial governments, provincial sport organizations, local governments, and local sport organizations (i.e., clubs, leagues) all have a role to play in domestic sport. As well, the educational system is a key component in the domestic sport system. In most cases, schools are the setting where children are first exposed to sports. Educational institutions as well as local and provincial organizations are often closer to the domestic sport clientele than NSOs. As a result, NSOs must consider the establishment of links with these organizations. These links would allow NSOs to reach domestic sport participants. In addition, given the varying range of age and skills levels found in domestic sport participants, NSOs along with related agencies have to develop a wide range of programs and services (i.e., for different age groups, skill levels, genders). In essence, domestic sport has a greater number of initiatives, programs, and activities than the high performance sport system. The dispersed nature of the system requires the collaboration and cooperation of a larger number of stakeholders.

Furthermore, with the autonomy NSOs have been given with respect to developing domestic sport initiatives (i.e., strategic plans 1988-1992), it is important to identify the appropriate strategies for NSOs. The ability to read and enact the environment is an important aspect of developing successful strategies. For example, greater autonomy will lead to a certain degree of flexibility in responding to the environment. In contrast, the high performance planning program of 1983-1988 was more structured; there was less autonomy in the formulation of strategies and, hence, in their implementation.

In considering these basic differences, it is clear that the strategies developed for domestic sport will have to be very different from the ones developed for high performance sport. Unfortunately, strategy formulation in amateur sport organizations has been a neglected research topic. The

limited involvement of sport organizations in the development of strategies to enhance their programs and systems may be one of the main reasons for the lack of previous research.

This gap in strategy research is not exclusive to sport organizations. As a number of authors have noted (cf. Montanari & Bracker, 1986; Newman & Wallender, 1978; Powell, 1987), the strategies of nonprofit organizations such as those which deliver sport have generally not been the object of extensive research. Since Canadian NSOs are nonprofit organizations, undertaking a research project on strategy formulation and, to a certain extent, strategy implementation in NSOs fulfills two major objectives. First, it will contribute to our understanding of the process of strategy formulation in NSOs and second, to our understanding of strategy in nonprofit organizations in general. As a starting point for this research project, it was important to seek out relevant literature. The focus on nonprofit sport organizations led us to the studies on strategy in nonprofit organizations. Using the works of MacMillan (1983), Montanari, Morgan, and Bracker (1990), and Montanari and Bracker (1986) among others, a strategy framework will be developed and subsequently applied to nonprofit sport organizations.

The following chapters present a four-part research project on the strategy process in NSOs. Issues of expected strategic types based on imperatives, strategy formulation, and strategy implementation are addressed at different stages of the research. Specifically, the first part of the study focused on identifying key imperatives considered important to NSOs in the formulation of their domestic sport strategies. Categorized under two dimensions, program attractiveness and competitive position, these imperatives allowed the researcher to develop a theoretical framework to determine the types of strategies undertaken by NSOs for their domestic sport activities. These types focus on maximizing the strengths and on limiting the impact or, perhaps, on eliminating the weaknesses found in each organization. Hence, the first study presents a framework which uncovered key imperatives specific to NSOs' domestic sport strategies.

The second study (Chapter 3) focused exclusively on the application of this strategy framework for understanding NSOs' domestic sport development. The application of the framework entailed the empirical verification of the two dimensions postulated in Chapter 2. Upon confirmation of these dimensions, each NSO's domestic sport context was

identified. The results of a factor analysis of data on the NSOs' contextual situation was plotted on a graph along the two dimensions. This graph allowed us to proceed with the identification of NSOs' expected domestic sport. These strategies are explained and discussed.

The third study (Chapter 4) focused on an analysis of the NSOs' intended strategies as evidenced in their domestic sport plans. By using the imperatives presented in Chapter 2, the plans were analyzed and the proposed domestic sport strategy was identified. The second portion of the study dealt with the comparison of NSOs' starting points (uncovered in Chapter 3) and their planned strategies. This comparison provided us with information about the differences which existed between a NSO's starting point and planned strategy or desired end point. The magnitude of the difference between the two strategies allowed us to speculate on the degree of congruence between each NSO's context and their plan.

The fourth study (Chapter 5) was based on an examination of NSOs' domestic sport context at the end of the planning period. Then, based on the organizations' starting points and planned strategies, changes were assessed between the initial domestic sport context (Chapter 3) and the context prior to the end of the planning period. The differences between these two contexts were examined in relation to the plans produced by the organizations. In essence, this last study investigated the changes occurring in the NSOs as a result of the strategic plans.

The last chapter links all four studies by pulling together the major findings of each and by relating them to the future of NSOs' domestic sport activities. The contribution of the studies to NSOs, as well as to the Canadian sport delivery system is explained. Furthermore, the contribution of this work to the sector of nonprofit organizations is outlined.

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CHAPTER 2

A Framework for the Analysis of Strategy in Nonprofit Sport Organizations[1]

A number of factors influence the success of any organization, but it is generally acknowledged that the development of a viable strategy is one of the most important (Miles & Snow, 1978; Mintzberg, 1987). The formulation and use of organizational strategies are associated with clearer objectives, better guidelines for employees, improved organizational performance, and an enhanced ability to anticipate and respond to environmental changes (Das, 1990).

Although there is a large amount of literature on the topic of organizational strategy, the vast majority of this work has been focused on organizations whose primary goal is to make a profit (cf. Ansoff, 1965; Chandler, 1962; Miles & Snow, 1978; Miller, 1987; 1990; Porter, 1980, 1985). As Higgins and Vincze (1989, p. 347) suggest, "research and analyses based on observation of nonprofit organizations are exceedingly limited. Clearly, they differ from profit-making organizations in many respects, and these differences must be taken into account when one analyzes their strategies ..." In essence, the context in which nonprofit groups operate is different from the context of profit-oriented organizations. Thus, nonprofit organizations do not necessarily "strategize" in the same manner as organizations whose goals are primarily profit-oriented. For example, in addition to securing dividends, profit-oriented organizations may have as their objectives to increase their profit margins, to increase their market share, to be the leader in their competitive domains, or to capture new market segments (cf. Porter, 1980; 1985; 1987). These priorities may be problematic when one is studying strategy formulation and implementation in nonprofit organizations because the goals and objectives of these organizations usually focus on providing services and programs, not on making profits (Drucker, 1990). When nonprofit administrators develop strategies, their purposes are generally very different than those of profit oriented organizations.

Most nonprofit organizations do not have extensive histories of involvement in strategy formulation (Bryson, 1988; Schendel & Hofer, 1979).

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One of the major reasons for this lack of involvement has been the organizations' focus on survival. As MacMillan (1983) suggests, nonprofit organizations have been concerned primarily with their survival because of the limited funds available to them. Consequently, these organizations have tended to focus on their immediate circumstances rather than on long term initiatives. Grayson and Tompkins (1984, p. 137) called this focus "annualitis, the myopic preoccupation with plans and activities for the next year, but minimal regard for long term strategic implications or opportunities."

In essence, researchers such as MacMillan (1983), Grayson and Tompkins (1984), and Powell and Friedkin (1987) acknowledge that resources are critical to nonprofit organizations and, that their dependency on external agencies (e.g., government) often limits their flexibility in initiating strategic planning. Furthermore, these authors agree that the short-term vision of nonprofit organizations has hindered their development. Authors such as Montanari, Morgan, and Bracker (1990), MacMillan (1983), Bryson (1988), and Butler and Wilson (1990) advocate that, in order for nonprofit organizations to increase their autonomy, anticipate changes and challenges in their environment, and develop a vision, they need to become more proactively involved in strategy formulation. As Butler and Wilson (1990, p. 165) suggest,

> strategies and organizational structures must reflect the adaptive stance taken toward the environment in order to ensure survival and advert decline ... those organizations which will secure long term survival are going to have to adopt a more proactive stance toward their environments.

Along the same lines, MacMillan (1983) suggests that, because financial resources for nonprofit organizations are becoming more difficult to acquire, it is crucial for these organizations to initiate the development of long term strategic plans. He argues that "if ever there was a desperate need for attention to be given to pragmatic, competitive, strategy formulation, it is in the area of not-for-profit organizations" (1983, p. 62).

Like most nonprofit organizations, sport organizations such as national and regional governing bodies and local clubs have invested very little time in developing strategic plans to guide their operations. However, because more sport administrators are realizing the importance of formulating strategies for their organizational activities, more of these types

of organizations are expected to become involved in strategic planning. The purpose of this paper is to develop a framework for the analysis of strategy formulation within nonprofit sport organizations. To illustrate the development of the framework, we focus specifically on a sector of organizations that have recently been involved in the formulation of strategic plans in order to improve the delivery of domestic sport opportunities: Canadian national sport organizations (NSOs). However, the approach we use could, with very little modification, be applied to other types of nonprofit sport organizations.

National Sport Organizations in Canada

Like their counterparts in other countries, NSOs in Canada have, for much of their existence, placed little importance on the development of strategic plans. The central focus of these organizations has been on the most basic of organizational goals, survival. Primarily concerned with maintaining the daily routine activities of their sports, Canadian NSOs (which are voluntary and nonprofit in nature) have been left with virtually no time to invest in the development of strategic plans. As reported in the 1969 Task Force on Sports for Canadians, sport administrators, in the past,

> were so swamped in the day-to-day details of low-level administrative correspondence, with periods of frantic activity for fighting sudden fires or unravelling snarls, that they had no time to think about the direction in which their sport was heading, much less to formulate plans for shaping its future. (Task Force Report, 1969, p. 58)

The Task Force Report identified this short term reactive approach to operations as detrimental to the overall development of a comprehensive sport delivery system. As a result, the report proposed the creation of centralized offices for NSOs and the hiring of paid staff to improve the operations of these organizations. According to members of the task force, these initiatives would free NSOs' volunteer executives from the routine administration of their organizations and would allow them to devote substantial time to the formulation of strategic plans (Task Force Report, 1969).

By establishing permanent offices for NSOs and hiring paid staff to assist with their daily operations, volunteers serving on boards of directors or executive committees of these organizations should have been in more

favourable positions to formulate strategies to enhance their sports' operations. However, despite the fact that the benefits of a proactive approach to strategy making were raised in the 1969 report and changes were made to facilitate this process, it was not until 1983 that most NSOs became proactively involved in the development of long-term strategic plans.

The impetus for the development of these strategic plans emanated from pressures from the NSOs' external environment. Sport Canada, a directorate of the federal government, that is responsible for amateur sport in Canada, initiated a long-term strategic planning program for NSOs in 1983. The program was created in conjunction with the selection of Calgary as the host city for the 1988 winter Olympic Games. Sport Canada was particularly interested in having NSOs develop strategies that would assist them in enhancing their high performance sport systems. Entitled "Best Ever '88", this planning program required winter Olympic sports to formally develop comprehensive long term strategic plans for the period of 1983-88. In essence, the intention of these plans was to create ideal circumstances for athletes to achieve "best ever" performances at the Calgary Olympic Games.

The exercise of planning received a favourable response from NSOs. As a result, in 1984, Best Ever '88 was expanded to include those national organizations involved in summer Olympic sports. The program became known as the Quadrennial Planning Program (QPP). The strategic plans produced by NSOs were to focus exclusively on the high performance component of sport. Sport Canada promoted this emphasis by providing incentives (mostly financial) to NSOs to develop long-term strategic plans designed to improve the high performance sport component of their operations (Hinings & Slack, 1987; Slack & Hinings, 1992). The government believed that strategic planning from one Olympic year (1984) to the next (1988) would strengthen the operations and systems of the NSOs' elite sport programs and thus, would improve performances by Canadian athletes at the 1988 Olympic Games.

The QPP encouraged NSOs to identify their organization's strengths and weaknesses; to assess and review their short- and long-term objectives; and to evaluate the operations and activities related to their high performance sport components. As the organizational literature would

suggests (cf. Chandler, 1962; Dess & Origer, 1987; Hill & Hoskisson, 1987; Miller, 1987), the introduction of a strategic planning program led to changes in the structural arrangements of these organizations. As Macintosh, Bedecki, and Franks (1987), Slack and Hinings (1987), Macintosh (1988), and Macintosh and Whitson (1990) have all suggested, this change was to a more professional bureaucratic type of design.

For the most part, NSOs' members saw the opportunity to develop long-term plans as beneficial for their organizations' operations (cf. Thibault, 1987). As a result, the planning program was extended through the 1988-92 quadrennial. With respect to this extension, a Sport Canada report (1989a) noted that, since 1983, long term planning had become an integral part of the Canadian sport delivery system. As a result, "many NSOs and PSOs [provincial sport organizations] realized the need to expand the planning activity to other components of the organization in order to enhance their individual sport systems" (Sport Canada, 1989a, p. 3). Consequently, for the 1988-92 quadrennial, the requirement of a strategic plan for domestic sport activities was added to the planning program. The domestic sport component was a particularly important addition to the strategic planning program because, for most NSOs, it represented their first formal venture into this area (Sport Canada, 1988).

A number of issues led to the introduction of domestic sport as a component of the 1988-92 strategic planning process. First, although the benefits of planning were generally acknowledged by members of NSOs, there was concern over the amount of resources (especially money and time) being invested in the development of high performance sport during the 1984-88 quadrennial and the apparent lack of attention devoted to domestic sport (Sport Canada, 1989a, Thibault, 1987).

A second event that contributed to the introduction of domestic sport as an important area for strategic development was related to the lack of attention previously allocated to this component. Specifically, prior to the 1988-92 period, neither Sport Canada nor the NSOs had formal plans addressing domestic sport. Some programs such as the National Coaching Certification Program and the Canada Games were created for the development of domestic sport. However, overall the development of domestic sport was left to emerge. Emergent strategies meant that NSOs were reactive rather than proactive in this aspect of their operations.

Furthermore, because domestic sport was previously the "unofficial" responsibility of the various provincial governments (Campagnolo, 1979), there was no real need or obligation for NSOs to directly involve themselves in this area. However, as a result of the recent increase in awareness about the importance of both high performance sport and domestic sport as integral components of a holistic sport delivery system, NSOs' members were becoming more vocal about the need for domestic sport development (cf. Task Force Report, 1988; Thibault, 1987). Domestic sport could make an important contribution to a comprehensive competitive sport system. With this increased interest, both Sport Canada and the NSOs were more receptive to the development of strategic initiatives in this area.

Also important was the fact that in their examination of the Canadian sport delivery system, members of the 1988 task force investigated the concept of domestic sport. One of the key issues they identified was the need to give equal consideration to developing strategies for both high performance sport and domestic sport (Task Force Report, 1988). Furthermore, members of the task force (1988, p. 26) acknowledged that, as a result of the QPP, a number of sports had moved "significantly forward", suggesting that strategic planning had contributed positively to their development. It was felt that similar benefits could be realized in the area of domestic sport.

Most importantly, the need to consider domestic sport as an integral component of the sport delivery system was further substantiated by the events surrounding the drug scandal of the 1988 summer Olympic Games. A prominent Canadian athlete was disqualified after competing in the 100 metre event when he tested positive for anabolic steroids. The announcement by the federal government made shortly after the incident, that it would set up an inquiry into the use of drugs and banned practices in amateur sport, resulted in an analysis of the problems associated with high performance sport and with the overall Canadian sport delivery system (Hall & Ormsby, 1989). In one of his many recommendations, Justice Charles L. Dubin emphasized the need for the federal government to consider more than high performance standings when making decisions about financial support to NSOs. The extent to which an organization offered its programs to a large number of members and to the broader community should, according to Dubin (1990), be considered important by the government for funding purposes. Essentially, the inquiry prompted leaders in the sport delivery

system to question the importance attributed to the achievement of excellence in international sport and to reflect on increasing the efforts invested in domestic sport.

According to the 1988 Task Force Report, domestic sport refers to "all levels of activity below (in performance terms) the high performance level. Participants in domestic sport may be interested in friendly competition for recreational purposes or may have as personal aspirations to progress through the developmental levels of domestic sport" (p. 38). In other words, domestic sport includes all activities and programs which are not practiced at the elite/international level although they may be a stepping stone to this level. Such a definition of domestic sport encompasses a very broad range of activities and allows for a great deal of flexibility in its interpretation.

As such, the development of domestic sport strategies presents a number of challenges for NSOs. In order for organizations to successfully plan for domestic sport, the formulation and implementation of strategic initiatives within this component has to involve individuals from a number of the organizations within the Canadian sport delivery system. These include the federal, provincial, and municipal governments; national, provincial, and local sport organizations; schools; and community groups (Task Force Report, 1988, p. 38). The responsibility for domestic sport must be shared by the various organizations because of its broad nature. In essence, the various organizations involved in domestic sport are stakeholders; they are involved because they have an interest and a part to play in the development of this component of sport.

According to Bryson (1988, p. 52), a stakeholder is "any person, group, or organization that can place a claim on an organization's attention, resources, or output, or is affected by that output." Stakeholders are important to NSOs because they have a critical role to play in domestic sport strategies. That is, the delivery of domestic sport cannot be the sole responsibility of NSOs. The assistance of organizations such as provincial sport organizations, local sport organizations, provincial governments, and municipal governments is required for the implementation of programs. Since these organizations or stakeholders are involved in the implementation process, then, they should also have input into the formulation of strategies. The stakeholders' proximity to the members who take part in the activities and programs forms a rich network of resources for

domestic sport. The resources can, in turn, lead to an increase in members or to a greater involvement of existent members.

In addition to developing and fostering links with stakeholders, NSOs also need to work in conjunction with these agencies in order to develop and implement a number of programs (e.g., for a variety of age groups and skill levels, and for both sexes). The expertise of individuals involved in provincial and local sport organizations can be used to assist both the development and the implementation of these programs. On the topic of stakeholders in domestic sport, Sport Canada (1989a, p. 6) noted that:

> one of the most challenging aspects of developing a national domestic sport strategy and policy involves the recognition and endorsement of the concept of coordinated leadership by the partners [stakeholders]. This is extremely important because no individual partner is capable of developing the domestic sport system, or for that matter, delivering individual programs effectively without the assistance and collaboration of the other partners.

In considering these challenges as well as the progressively increasing importance of domestic sport for both the federal government and the NSOs, we must examine the types of strategies NSOs may undertake. Work of this nature will also contribute significantly to our understanding of strategy formulation in nonprofit sport organizations in general, an area of sport management where there is little existing research.

The Development of a Framework for the Analysis of Strategy

Within the literature on strategy in nonprofit organizations, several authors (cf., Barry, 1986; Bryson, 1988, 1990; Nutt, 1984; Wolf, 1990) provide prescriptive accounts of the way in which nonprofit administrators should formulate strategies. Generally, these studies have advocated a series of steps to strategy formulation such as the determination of mission statements, goals, and objectives and the assessment of internal and external environmental factors that can potentially affect the strategic process. In essence, this work emphasizes the "how to" approach to strategy. It provides administrators with the necessary steps to follow in order to ensure the development of a strategy best suited for their organization. However, as Butler and Wilson (1990, p. 51) note, "authors who inhabit the prescriptive school of organizational strategy ... have largely ignored the impact of context,

assuming the strategic decision making process to be rational, planned, purposive, and processually linear." This is not, in fact, an accurate description of the strategy process and, as Butler and Wilson (1990) point out, contextual factors such as competing interests challenge the notion of rational objectivity in strategy formulation.

In addition to Butler and Wilson (1990), a small number of other studies (cf. MacMillan, 1983; Montanari & Bracker, 1986; Montanari et al., 1990) recognize the importance of context in strategy formulation for nonprofit organizations. This work focuses on the development of typologies as a way to understand strategy formulation in this sector of organizations. It is this literature on which we build in this paper and this approach (i.e., developing a typology) that we use to develop a framework for the analysis of strategy in NSOs.

Although Butler and Wilson's (1990) work is important in that it emphasizes the need to consider contextual variables and their influences on strategy formulation, the authors' focus on charitable organizations, such as "Christian Aid" and "Save the Children Fund", restricts the direct applicability of their work to NSOs. Even though NSOs are nonprofit organizations, they do not operate as charities. As such, they do not undergo the same pressures to raise funds continually in order to attend to the urgent needs of their "clients". In fact, for NSOs in Canada as in many other countries, a large percentage of funding comes from a government agency. The focus of these organizations is predominantly on the promotion of their sports through the provision of programs and services to their members. Unlike charities, they do not attend to large societal philanthropic issues. So, although Butler and Wilson (1990) alert us to the importance of context, the context in which the organizations they studied operate is not the same as that of NSOs.

In the development of a framework for the analysis of strategy formulation in NSOs and other similar types of sport organizations, the work of MacMillan (1983), and to a lesser extent Montanari and Bracker (1986) and Montanari et al. (1990) on nonprofit organizations provides a useful starting point. It is, however, important to not dismiss the strategy literature on profit oriented organizations because selected concepts and approaches in this literature may provide insights into other types of organizations. Also,

concepts from this literature are used, often in modified form, in the research on strategy within nonprofit organizations.

MacMillan (1983) proposes a framework for nonprofit organizations to devise strategies that would allow them to be competitive with other nonprofit organizations with respect to financial resources. His framework is based on three assumptions: a) the element of competition within nonprofit organizations exists as it pertains to the need for resources; b) because of this competition for resources, organizations do not duplicate the services or the programs of other organizations; c) and organizations have to make decisions regarding the quality of programs and the scope of clients to serve.

With these assumptions as a foundation for his framework, MacMillan (1983) devised a matrix based on three dimensions related to these organizations: program attractiveness, competitive position, and alternative coverage. These dimensions provide a basis for identifying strategic imperatives. Strategic imperatives are those elements that are essential for organizations to consider when developing strategies (Robbins, 1990). Collectively, the dimensions and their strategic imperatives provide information about the context in which nonprofit organizations operate. It is important that context be identified in order for administrators to develop appropriate strategies for their organizations.

In developing a framework for the analysis of domestic sport strategies in NSOs, we considered the identification of external strategic imperatives within two of the dimensions identified by MacMillan (1983), program attractiveness and competitive position, to be particularly important. According to MacMillan (1983, p. 65), program attractiveness refers to "the degree to which the program is attractive to the agency as a basis for current and future resource deployments." Montanari and Bracker (1986) and Montanari et al. (1990) utilize a similar dimension in their work. They refer to this as the funding attractiveness of the service. This dimension includes imperatives that concern the involvement of the organization's various publics in its services and the support available to the organization. MacMillan's second dimension, competitive position, refers to the extent to which an organization is "in a stronger position to serve [its] client base" than other related organizations (p. 67). For the purposes of this paper these two dimensions are slightly modified to better represent the situation in NSOs.

MacMillan suggests that this may be necessary for different institutional spheres of organizations.

The third dimension used in MacMillan's (1983) work, alternative coverage, was not considered relevant to strategy development in NSOs. Specifically, alternative coverage is considered high for an organization if other agencies are providing similar programs or activities. Thus, if the organization ceased its programs and activities, other agencies would develop and implement identical programs and activities. In the case of NSOs, each organization is responsible for the development of its sport. This responsibility is recognized by a number of other organizations (e.g., Sport Canada, the Canadian Olympic Association, the NSOs' International Federation). If a NSO were for some reason to stop its operations, it is highly unlikely that another sport organization would undertake the delivery of that sport. For example, Tennis Canada would not be expected to assume the responsibilities of a defunct Badminton Canada.

The two dimensions used in this study, program attractiveness and competitive position, and the strategic imperatives that constitute these dimensions are outlined in more detail below.

Program Attractiveness

For the purposes of this paper, the dimension of program attractiveness considers a NSO's capability to provide services and programs to its members while accessing the necessary resources to maintain the provision of these programs and services. Several strategic imperatives are presented by MacMillan (1983) as possible indicators of the dimension of program attractiveness. As he notes (1983, p. 68), not every imperative listed is valid for every set of organizations, "the list is merely representative." The challenge is for the researcher to identify the imperatives relevant to the organizations being studied. The following section expands on those strategic imperatives we found suitable to assess the dimension of program attractiveness for NSOs. These are: 1) fundability; 2) size of client base; 3) volunteer appeal; and 4) support group appeal. Each is explained in more detail.

Fundability.

The first imperative, fundability, refers to the ability of an organization to attract financial resources from external sources. The stability of this funding is also considered important for NSOs. Stability of funding refers to

funding that "is not subject to wide variability" (MacMillan, 1983, p. 66). The notion of stable funding is more attractive to nonprofit organizations than occasional or sporadic funding.

It is well known that nonprofit organizations rely heavily on external sources of funds for their operations (cf. Butler & Wilson, 1990; MacMillan, 1983; Montanari & Bracker, 1986; Wilson & Butler, 1986). The issue of external funding is critical to the survival of nonprofit organizations such as NSOs. Since all NSOs receive a large part of their funding from Sport Canada and, almost without exception, this is their only stable source of funding, it is important to consider this as a strategic imperative. The domestic sport rank allocated by Sport Canada via the Sport Recognition Policy is believed to accurately represent the fundability and, to a large extent, the funding stability of NSOs. Sport Canada developed the Sport Recognition Policy in order to set out "the criteria which NSOs must meet in order to be recognized by the federal government as client organizations eligible for access to federal government sport services and funding"; it also sets out "the criteria which are used in the assessment of submissions from NSOs for federal government funding" (Sport Canada, 1989b, p. 2). Since officials calculate the domestic sport rank by using a number of criteria and use these same criteria to determine the level of funding a NSO receives from Sport Canada, this measure provides an indicator of the fundability of each NSO's domestic sport component. Specifically, the extent of funding a NSO receives from Sport Canada is contingent upon this rank; hence, the higher the rank, the greater financial support a NSO is allocated.

Fundability is important because access to financial resources is directly linked to the development and implementation of programs and to the provision of services. Hence, a NSO that can access resources from its principal source, Sport Canada, will be in a better position to offer a wide range of programs within its domestic sport component. As well, the element of stability in the source of funding is also important because it allows administrators within these organizations to plan the future of their domestic sport programs.

Size of client base.

The second imperative, size of client base, refers to the number of clients the organization caters to in regard to its programs and services (MacMillan, 1983). The client base for NSOs is, in essence, the number of

members. Membership refers to the number of individuals NSOs are catering to in terms of programs and services. As emphasized in the Dubin report (1990), as well as in earlier government documents (cf. Munro, 1970; Regan, 1981; Task Force Report, 1988), the number of members is a good indicator of NSOs' involvement in domestic sport programs. Evidence in the literature (cf. Dubin, 1990) shows that it is increasingly important for NSOs to enhance their operations and programs and, even if possible, increase the number of members to whom they cater. Increasing the membership is not only a way to access more resources, it is also a way for organizations to legitimize their domestic sport operations. In other words, having a large number of members allows NSOs to focus their efforts on providing appropriate programs and services for these members.

Volunteer appeal.

The third imperative, volunteer appeal, refers to the extent to which the organization can attract human resources, in this case, volunteers. In the context of domestic sport, a number of volunteer roles could be considered as a means of assessing MacMillan's (1983) concept of volunteer appeal (e.g., coaches, officials, members of the board of directors, members of the executive committee). For the purposes of the domestic sport strategy, the number of coaches is selected as the indicator of "volunteer appeal". Coaches are important elements in domestic sport because they serve as facilitators or support personnel to foster and maintain its development. With a large number of participants, sport organizations need coaches to help deliver and implement programs. A sport organization that has a large number of members but very few coaches will be limited in how it delivers domestic sport programs. Coaches are the volunteers who are in direct contact with members. No other volunteers in the sport organizations are in such consistent and continuous contact with the individuals for whom NSOs' programs and services are intended. The more coaches there are, the greater the opportunities for the development or enhancement of the domestic sport system.

Support group appeal.

The last imperative in the dimension of program attractiveness is support group appeal. This variable refers to "the extent to which the program is visible to, and appeals to, groups capable of providing substantial current or future support" (MacMillan, 1983, p. 66). For NSOs, media

visibility was considered to be a measure of support group appeal. The selection of media visibility is based on the argument that if a sport is more visible in the media, more people will want to become participants. For example, shortly after the 1984 Los Angeles Olympic Games, the British Columbia Rhythmic Sportive Gymnastics Association benefited from a large influx of new participants as a result of the intense media coverage surrounding Lori Fung's (a British Columbia athlete) gold medal performance. According to administrators within the organization, the increase in membership was attributed to enhanced media visibility of the sport (Canadian Rhythmic Sportive Gymnastics Federation, 1988). The media exposure a sport receives can translate into more opportunities for NSOs' domestic sport component (i.e., more potential for corporate sponsorship, more members joining the sport).

As well, media visibility can be an indicator of the sport's popularity. The frequency at which information about the sport appears in the media may promote the sport to potential members, enticing individuals to join a club/team in order to practice the activity. Consequently, media visibility can assist in the development of domestic sport programs. If the sport is featured frequently there are greater opportunities for individuals to become aware of the sport and thus, consider it as a potential activity in which to participate. In other words, the sport may become appealing to these individuals. Furthermore, greater media visibility for a sport may interest corporate sponsors, thus, possibly increasing funds for NSOs' programs.

According to the logic of the marketing literature (cf. Kotler, 1988), the exposure of a product and its advertising frequency in the media (print, television, radio) enhance consumers' awareness about the particular product. This increased awareness has been associated with increases in product sales. It is therefore feasible to suggest that if a sport is highly visible and receives considerable exposure, then, individuals become more aware of it. As the awareness level increases, more individuals are likely to take part in the sport, thus impacting the development of domestic sport.

Competitive Position

The focus of this dimension is on the competitive potential of an organization to attract and retain members. An organization which has a strong competitive position will have greater potential to meet this goal. MacMillan identifies a number of possible imperatives that could be

indicative of this dimension; those most relevant to NSOs relate to the financial resources people need to access the sport. As Le Clair (1992, p. 127-131) points out, "to participate in sports activities is often quite expensive ... some sports cost more money than others." The cost of participating in a sport restricts access and hence can influence a sport's domestic development.

Drawing on the work of Porter (1980), MacMillan and McCaffery (1982), and MacMillan (1984) on barriers to market entry, we can suggest that the costs of participating in a sport may be perceived as a type of barrier to entry for members and potential members. Specifically, Porter suggests that strategists need to analyze the barriers affecting their organizations before developing strategies. Furthermore, MacMillan and McCaffery (1982) and MacMillan (1984) believe that barriers "are characteristics of the industry or business that prevent, or seriously inhibit the movement of competitors into a product/market" (MacMillan, 1984, p. 273). Following this argument, we can suggest that expenses constrain participation in sport and therefore, affect its competitive position with respect to members. It is crucial, therefore, that costs be considered as a factor affecting the development of a domestic sport strategy in NSOs. Consequently, within the dimension of competitive position, we identify two strategic imperatives: equipment costs and affiliation fees. These have been identified as two of the major expenditures influencing participation levels in sport (cf. Le Clair, 1992).

Equipment costs.

The costs associated with the equipment participants need to actively compete in a sport at the introductory level are considered to be one of the indicators of the competitive position one NSO may have over another. In the development of a domestic sport strategy, which seeks to enhance the growth of the sport, a NSO must take into account the amount of money that a participant must pay for the necessary equipment. This imperative only takes into account the equipment that must be purchased by the participant. It does not include the equipment that is supplied by the local sport organization (club or league). For example, within the sport of rowing, the shell (at least at introductory levels) is usually supplied by the local club; hence, this is not included as a cost.

Affiliation fees.

The affiliation costs associated with participation in a particular sport were used as the second imperative to represent competitive position. Here

we include such expenditures as membership in a particular club in order for athletes to have access to training facilities, coaching, and competitions. These costs would be calculated yearly for the average introductory level participant.

Strategic Types for National Sport Organizations

Following the lead of other scholars (Miles & Snow, 1978; Porter, 1985) who have developed typologies of organizational strategy, for different organizational sectors, we juxtaposed the two dimensions of program attractiveness and competitive position. These two dimensions represent the domestic sport external context in which NSOs operate. By assessing NSOs' external imperatives along program attractiveness and competitive position (i.e., whether or not NSOs score high or low on these two dimensions), we have proposed four strategic types. Based on these external imperatives, the strategic types are believed to represent the potential strategies that NSOs are expected to undertake as they develop their domestic sport activities. We label these types as enhancers, innovators, refiners, and explorers. The nomenclature of these strategic types was selected over other already existing typologies (cf. Miles & Snow, 1978; Montanari & Bracker, 1986) because it better represented the possible types of strategies to be undertaken by nonprofit sport organizations. The types reflected the unique domestic sport imperatives of NSOs. Figure 2.1 graphically depicts these expected four strategic types in their respective quadrants.

Insert Figure 2.1 about here

As Figure 2.1 shows, the four proposed strategic types represent different contexts for NSOs. The characteristics of each of these strategic types and the structural arrangements of the NSOs are found below.

Enhancers

National sport organizations that score high on program attractiveness and have a strong competitive position are expected to follow what we have termed an enhancement strategy. Their high levels of program attractiveness indicate that these organizations already have good networks of domestic sport programs. The strategic initiatives undertaken by NSOs will focus on enhancing these already strong programs and, perhaps, developing new ones. New programs will be relatively easy to develop because they can be

operationalized through the existing network of members and coaches. The fact that the sport is highly visible will also help NSOs promote these new programs. There is little risk for enhancers in pursuing these new programs because they already have established bases and, if new programs do not work, a sport organization does not have "all its eggs in one basket". The fact that the sport is inexpensive suggests that interested people can easily get involved in either new or existing programs because trying the sport is not expensive.

MacMillan (1983, p. 69) supports these general conclusions when he points out that organizations with high program attractiveness and strong competitive position will have a number of existing programs that will "provide a growth base for the agency as well as generate surplus resources." Although MacMillan is referring to financial resources, a strong base of programs will also produce less tangible resources such as knowledge and a network of contacts that enhancers can use to promote new programs. Montanari and Bracker (1986) also support this idea when they suggest that organizations in this type of position can use these resources to build new services and programs. This type of tactic is analogous to that proposed by the developers of the Boston Consulting Group's portfolio analysis matrix, where resources from one established product or service (cash cows) are used to enhance the possibilities for success of new and emerging products or services (question marks) (Henderson, 1979).

With respect to structure, we would expect NSOs that follow an enhancement strategy to be relatively complex as a result of large membership bases and already established programs. There will be a relatively high level of standardization in these sport organizations, because this is necessary to allow administrators to coordinate and deal effectively with the membership. Decisions about strategic initiatives will come in part from the enhancers' central offices, however, given the already established network of programs and the low risk attached to programs, individual initiatives at the local level are also likely to be encouraged. Therefore, the process of strategy development will flow from decisions made at both the upper and lower levels of the organization. Major projects are likely to be centralized, but the opportunity to try individual initiatives will be allowed and even encouraged at the local levels. Enhancers are likely to be mature

sport organizations that are relatively less dependent on government financial support than their counterparts.

Innovators

Innovators have strong competitive positions (i.e., there are few costs for clients to participate in the sport) and low program attractiveness. The strategic focus of these NSOs is expected to be on developing innovative programs to get people involved in their sports. Given the general lack of existing programs, these new initiatives may come in a variety of forms and will focus on increasing membership numbers and developing more coaches. Since these organizations have strong competitive positions, the potential to innovate is good. However, unlike enhancers, which already have networks of programs on which to build, innovators will have to develop their own set of domestic sport programs. Given the need to draw people into the sport, these programs will have to be creative; it will not be possible to build on existing programs, if indeed any exist. As MacMillan (1983, p. 71), notes organizations with strong competitive positions and low program attractiveness will have to "unleash the full creativity of management to finding ways to use programs" to increase their program attractiveness. Montanari and Bracker (1986) agree with MacMillan's argument. They believe that organizations in this position must focus on improving their abilities to serve members.

NSOs with low program attractiveness and a strong competitive position will display simple structural characteristics. Their lack of any extensive programs for domestic sport development will mean that they have low levels of specialization and this will, in all likelihood, be accompanied by low levels of formalization. Decision making is likely to be centralized because the small number of programs that do exist means that control is easily achieved. The limited involvement of these NSOs in domestic sport suggests that they have weak or non existent links with related agencies (e.g., provincial sport organizations, local sport organizations). Also, NSOs in this strategic type will rely heavily on the federal government for financial resources because their low program attractiveness limits their ability to secure funds from other external sources.

Refiners

NSOs that demonstrate high levels of program attractiveness and weak competitive positions are expected to pursue the development of a domestic

sport strategy along much the same lines as they have previously. These sport organizations are expected to show the least amount of change in their strategies. They already have well established sets of domestic sport programs, as evidenced by their high program attractiveness. However, because participation in their sports requires substantial financial commitment, they will follow what we have termed a refinement strategy. The focus of this strategy will be on fine tuning already existing programs. For example, NSOs may try to limit costs for current members and adjust existing programs in order to reduce or eliminate the financial cost that act as "entry barriers" to potential members. As MacMillan (1983) suggests, there is really no need for organizations that have high program attractiveness and weak competitive positions to be alarmed by new strategic initiatives. For refiners, their domestic sport programs are attractive and they have resources to maintain these programs at their present levels of attractiveness; thus, any modifications will be relatively minor.

Refiners are expected to be mature organizations. However, because of their high financial costs, the scope of their operations will be relatively limited when compared to cheaper sports such as those found in the enhancer type. Their high program attractiveness does, nevertheless, suggest a certain degree of complexity because they have a number of established programs and developed coaching programs. They also have established links with related organizations such as provincial and local sport organizations. Given the maturity and complexity of these organizations, we would expect the structuring of domestic sport to be relatively complex. The levels of specialization and formalization will be high. Decision making will take place at both upper and lower echelons of the organizations; key decisions involving financial matters will likely be made at the upper echelons of the NSOs, wheras decisions involving program delivery issues will be made at the lower echelons. Given that there is a small but developed network of domestic sport programs and the fact that a number of these high cost sports have a certain profile and attractiveness to corporate sponsors, refiners are unlikely to rely heavily on government as their only source of funding.

Explorers

National sport organizations that have low program attractiveness and weak competitive positions are expected to adopt what we have termed an

exploration strategy. These organizations will have had little previous involvement in domestic sport. The high costs associated with participation in their sports, the low numbers of members and coaches, and the low media visibility make it difficult for the organizations to develop strategies in this area. Essentially, organizations that find themselves in these circumstances will explore a variety of possible strategic initiatives to increase their competitive position, their program attractiveness, or both. Trial and error will characterize their strategic initiatives. Explorers will seek to develop programs that can attract people to their sports, reduce entry costs, or both. When they find successful programs, explorers will seek to exploit these programs as much as they are able. In many ways, these sport organizations have the most work to do to develop a viable domestic sport strategies.

MacMillan (1983) considers organizations in weak competitive positions and with low program attractiveness to be facing a major strategic challenge. One of MacMillan's suggestions is that these organizations emphasize the development of creative programs in order to build for the future. Montanari and Bracker (1986) agree with MacMillan's view of these organizations; they suggest that an organization that exhibits a low ability to serve and low funding attractiveness is in somewhat of a "Catch 22" situation because what the organization provides is not in great demand and so funding is low which restricts new initiatives.

For explorers, increasing in the number of members taking part in the domestic sport programs and increasing the number of coaches managing the programs are important first steps to consider in strategy formulation because they can lead to an increase in available funds (i.e., membership fees, Sport Canada funding, and corporate sponsorship). An exploration strategy will be aimed at uncovering attractive programs that organisations can use to entice new members and coaches to join the organization and, thus, increase the rank allocated by the funding agency, Sport Canada. NSOs in this position will also have to look at ways of reducing the costs associated with participation in their sports as a way to increase their memberships.

With respect to structure, explorers will have low levels of specialization, operating procedures will be virtually non existent, and decision making will be centralized and probably unstructured. These organizations are likely to be relatively young, they will have very few links with provincial sport organizations and clubs, and the relatively small

amount of funding to which they have access will come primarily from government.

Insert Table 2.1 about here

In Table 2.1, we hypothesized some of the main features we believe NSOs might have according to their expected strategic types. These features provide qualitative information about the characteristics NSOs are expected to display given their domestic sport strategic imperatives.

Conclusion

Despite the pervasiveness of work on strategy in the broader field of management, there has been virtually no attempt to examine this aspect of the operation of sport organizations, particularly those in the nonprofit sector. This paper presents a theoretical framework that identifies four strategic profiles for nonprofit sport organizations based on their external contextual imperatives. Although we focused on Canadian national sport organizations' development of domestic sport strategies, with some modification (e.g., by selecting pertinent external strategic imperatives), administrators can apply the framework to other nonprofit sport organizations. The framework is a first step in showing how work on organizational strategy especially (but not exclusively) on nonprofit organizations can apply to nonprofit sport organizations.

One of the questions raised by a framework of this type is whether these strategies actually exist in practice. It is obviously important to realize that the strategic types presented are proposed types, and a focus on uncovering these types must be based on approximations not exact replicas. The approaches to uncovering these types may be either quantitative or qualitative. Those who take quantitative approaches will focus on operationalizing strategic imperatives and determining the placement of organizations as high or low scores. Qualitative approaches will most likely involve case studies that examine the extent to which organizational patterns, such as those we have attributed to each of the strategic types, exist (cf. Miles & Snow (1978) for an example of this approach).

Either of these methods will allow us to start addressing questions about strategy in nonprofit sport organizations. Obvious areas of inquiry include how strategies are implemented and maintained, how organizations

move from one strategic position to another, and how strategic choices influence subsequent organizational behaviour. Given the importance of strategy as one of the central concepts in organizational theory and the demonstrated impact of strategy on organizational structure and processes, the lack of research on this aspect of the operation of sport organizations is a void that needs to be filled.

The strategic types proposed in this paper illustrate that administrators must understand the situation in which sport organizations operate before undertaking the process of strategy formulation. Once managers understand their organizational situations through the analysis of strategic imperatives, they will be in better positions to develop effective strategies. In essence, there is no one best way to strategize in sport organizations; the strategy developed should reflect the organizational situation. Hence, different organizational situations will yield different strategies. The framework presented in this paper serves as a starting point for administrators in the identification of imperatives that they must consider when determining organizational situations and developing strategies. Once the situation is identified, organizational members can proceed to formulate the strategy that best fits this situation.

Figure 2.1
NSOs' Domestic Sport Strategic Types

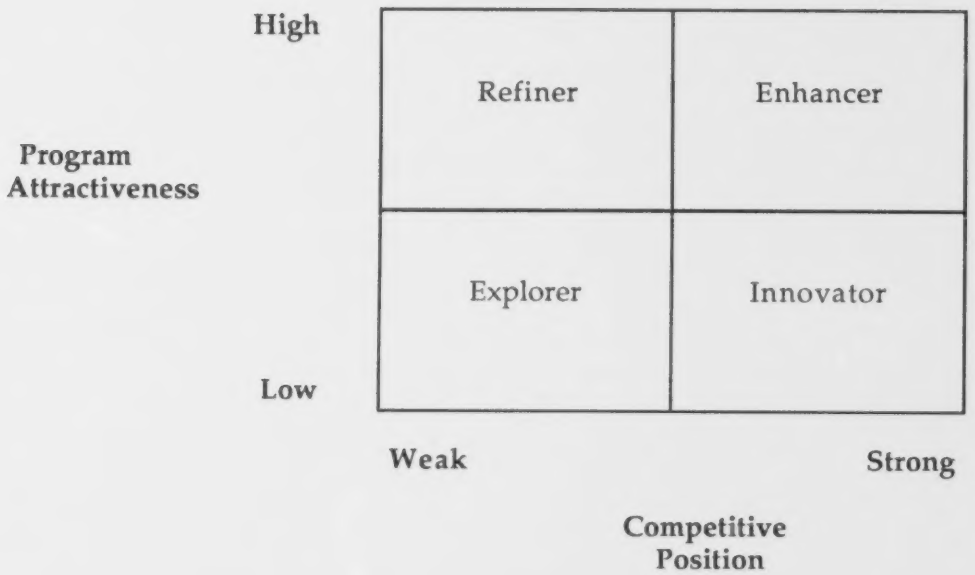

Table 2.1
Characteristics of NSOs' by Strategic Type

Characteristics	Strategic types			
	Enhancers	**Innovators**	**Refiners**	**Explorers**
Program attractiveness	high	low	high	low
Competitive position	strong	strong	weak	weak
Focus of strategy	optimizing	creativity	fine-tuning	trial & error
Structure	complex	simple	complex	simple
Accessibility	high	medium-low	high	low
Dependence on government funds	low	medium	low	high
Age of NSO	mature	young	mature	young
Linkages with stakeholders	established	weak	established	weak
Experience with domestic sport	extensive	minimal	extensive	minimal

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CHAPTER 3
Strategic Planning for Nonprofit Sport Organizations: The Empirical Verification of a Framework and Location of Strategic Types[1]

In many countries, amateur sport is organized and administered through a broad network of nonprofit organizations. At the national level, nonprofits such as the United States Cycling Federation and Basketball Canada are responsible for administering the policies and programs of their respective sports in their respective countries. At the local level, we find a plethora of clubs and leagues providing a vast array of sporting opportunities to a variety of interested participants.

In an effort to improve organizational effectiveness by minimizing environmental uncertainty and maximizing opportunities, nonprofit administrators such as those managing sport organizations, have been urged to develop strategies for their organizations (cf. Bryson, 1988; Espy, 1986; Handy, 1988). As Bryson (1988, p. xi) suggests, leaders and managers of these types of organizations "must be effective strategists if their organizations are to fulfill their missions and satisfy their constituents in the years ahead." Handy (1988) has similarly promoted strategic planning as an important requirement for nonprofit organizations.

A number of authors (cf. Grayson & Tompkins, 1984; Newman & Wallender, 1978; Powell, 1987) have suggested that, traditionally, managers of nonprofit organizations have not been particularly sensitive to the importance of strategic planning in their organizations. Furthermore, the rich body of literature developed for profit-oriented organizations has rarely been applied to the nonprofit sector. Nonprofit organizations, they argued, seemed to be isolated from the prescribed administrative practices advocated for their counterparts in the profit sector. This has certainly been the case with regard to sport organizations, as Thibault, Slack, and Hinings (1993) have reported. However, a recent increase in research within the nonprofit sector (cf. Butler & Wilson, 1990; Drucker, 1990; Montanari & Bracker, 1986; Powell, 1987; Wilson & Butler, 1986) reflects a changing trend in the amount of interest shown in nonprofit organizations. As Powell (1987, p. xi) notes:

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> over the past ten years or so, public attention to and scholarly analysis of the voluntary sector have increased substantially. ... [S]cholars have been attracted to the study of nonprofits because of a growing recognition of their many unique organizational attributes ... These features - often analytically fascinating in their own right - cast in sharp relief the different roles played by government and the private sector.

Even though researchers recognize and appreciate the differences between profit-oriented organizations and nonprofit organizations (cf. Bryson, 1988; Butler & Wilson, 1990; MacMillan, 1983; Wilson & Butler, 1986), they generally agree that our understanding of organizations in the nonprofit sector could benefit greatly from the application of certain concepts and approaches found in research carried out on profit-oriented organizations. For example, with respect to the topic of strategic planning, Bryson (1988, p. 1-2) explains that most of the literature on this topic "has focused on private sector applications. The extensive private sector experience with strategic planning ... provides a rich storehouse of advice on how to apply it to public and nonprofit purposes." Unfortunately, as Montanari and Bracker (1986, p. 251) suggest, "very little research has been done on any aspects of strategic processes in these [nonprofit] organizations." This is particularly true of sport organizations (cf. Thibault et al., 1993).

This paper is, in part, designed to address this void. To do this, it builds on recent work by Thibault et al. (1993) which presents a theoretical framework for the analysis of strategy in nonprofit sport organizations. Specifically, the purpose of the paper is to empirically verify the dimensions used by Thibault et al. (1993) in constructing their framework and secondly, to locate a sample of Canadian nonprofit sport organizations within this framework according to their strategic type. Work of this nature is particularly important to our understanding of nonprofits in general because, while there has been a recent influx of research which has attempted to theoretically classify the strategies of these type of organizations, "little empirical work has been accomplished in this regard" (Galbraith & Schendel, 1983, p. 171). Research of this nature is also important to the field of sport management given the paucity of studies on organizational strategy and the centrality of this topic to such issues as organizational structure, design, and change.

The Research Site

Following Thibault et al. (1993), the research site used for this study was a set of Canadian national sport organizations involved in a process of strategic planning. Up until recently, these organizations like many other nonprofit sport organizations, were not formally involved in the development of strategic plans for their activities. This situation changed in 1983 when Sport Canada, a directorate within the federal Ministry of State for Fitness and Amateur Sport, initiated and financially supported the introduction and development of long term plans for nonprofit national sport organizations (NSOs) in preparation for the upcoming 1988 winter and summer Olympic Games. The aim of this planning program was to develop and to improve the operations of these NSOs in order to ensure the achievement of best ever performances by Canadian athletes at these Games. Thus, the focus of the planning program was exclusively on the organizations' high performance sport system.

Overall, strategic planning was perceived as a worthwhile venture by members of NSOs. As a result, the planning program was renewed in 1988. This renewal was to cover the 1988-92 quadrennial, but, more importantly, it was to include not only the high performance sport system but also the domestic sport system. Domestic sport has been defined by Sport Canada as the activities undertaken by sport organizations which are aimed at the development of sport up to the national level. These activities can include those geared towards the involvement of the masses (children and adults) in "fun, learn to" type programs. As well, they can include programs which deal with developing athletes who aspire to reach the high performance levels of their sport (competition at the international level) (Task Force Report, 1988). Planning for domestic sport was an important addition to Sport Canada's planning program because it was never formally addressed in NSOs prior to 1988. As a new initiative for NSOs, the development of a domestic sport strategy was perceived as an opportunity to further improve the Canadian sport delivery system (Task Force Report, 1988). In light of these recent developments, strategy formulation and implementation are becoming integral parts of the administrative activities of NSOs.

Methods

Based on the work of MacMillan (1983), Montanari and Bracker (1986), and Montanari, Morgan, and Bracker (1990), Thibault et al. (1993) identified

six imperatives as relevant for the formulation of domestic sport strategies in NSOs. Imperatives are those factors which influence the type of strategy an organization will pursue (Robbins, 1990). Both MacMillan (1983) and Montanari and Bracker (1986) support the idea of selecting several imperatives or variables when studying strategy formulation in organizations. In the framework developed by Thibault et al., the imperatives selected were: fundability, size of client base, volunteer appeal, support group appeal, equipment costs, and affiliation fees. Within the actual framework, these six imperatives were subsumed under two theoretically derived dimensions: program attractiveness and competitive position. These two dimensions can, as shown in Figure 2.1, be represented by intersecting axes ranging from high to low on program attractiveness and from strong to weak on competitive position. The resultant four quadrants represent the types of strategy which a NSO is expected to pursue. Thibault et al. (1993) label these enhancers, refiners, innovators, and explorers.

Sample

In order to test the suitability of the dimensions proposed in Thibault et al.'s framework, and to situate NSOs according to their expected strategic type, it was necessary to collect data about the strategic imperatives of a sample of nonprofit sport organizations. For the purposes of this paper, the sample chosen consisted of 32 Canadian NSOs that had, in 1988, developed domestic sport plans. These NSOs included a mix of Olympic and non-Olympic sports.

Data Collection

The first step in the data collection process involved operationalizing the six imperatives identified by Thibault et al. (1993). Once these were operationalized, data appropriate to each imperative were collected. The manner in which each imperative was operationalized and details of the data collection are outlined below.

Fundability: The imperative fundability was operationally defined as the ranking allocated to a NSO by Sport Canada through its Sport Recognition System. This was considered to be reflective of an organization's ability to secure funding for its programs and activities, since Sport Canada uses the ranking to make decisions about the level of funding an organization receives (Sport Canada, 1989). The Sport Canada system is important because as Slack and Hinings (1992) note nearly 75% of NSO funding comes from this

source. In the Sport Recognition System, all federally funded sport organizations are given a rank from 1 to 5. Once assigned, this rank is valid for a period of four years which coincides with the organization's planning cycle and the period between the staging of the Olympic Games. The data about the ranking of each NSO was obtained from Sport Canada records. For the purposes of data analysis, a value of one represented the lowest rank a NSO could achieve, five represented the highest rank.

Size of client base: As an operational definition of the imperative, size of client base, the number of participants registered in the NSOs was selected. The participants involved in the activities of each NSO were believed to be representative of the client base being served by the organization (cf. Thibault et al., 1993). Since Sport Canada monitors, on a yearly basis, the number of participants within each NSO it funds, data about the number of registered participants was easily obtained from this agency.

Volunteer appeal: Following the suggestion of Thibault et al. (1993), the imperative volunteer appeal was operationalized as the number of certified coaches registered in a NSO. This variable was seen as reflective of the support system in place to accommodate the organizations' clientele. Without coaches, a sport organization would have great difficulty ensuring the delivery of its domestic sport programs and activities to its clients. For the purposes of the data collection process, the number of coaches in each NSO was obtained from the Coaching Association of Canada. This organization is responsible for the National Coaching Certification Program, a multi-level program which deals with the development, training, and certification of coaches. The organization maintains statistics on the number of coaches certified at each level in each sport. Only the coaches who had completed the first technical level of the certification program were considered. This level focuses on the most fundamental training process for coaches interested in the development of domestic sport.

Support group appeal: This imperative was operationalized by measuring the media visibility of the sport. Media coverage of a sport was seen as indicative of the level of popular appeal of that particular sport. Given the importance attributed to television coverage as a means of raising public awareness about a sport (Hall, Slack, Smith, & Whitson, 1991) and the fact that Canadians spend an average of 23.5 hours per week watching television (Statistics Canada, 1988) the amount of television coverage given to

a sport was the specific measure of media visibility used. To obtain data on the amount of television coverage given to a sport, the sport section of The TV Times which accompanies most Canadian newspapers was consulted. Since programming is often done on a regional basis, newspapers were selected from Western Canada (The Calgary Herald), Central Canada (The Ottawa Citizen), and Eastern Canada (The Halifax Chronicle Herald). One week per month of the year was randomly selected for each newspaper and the frequency of appearance given to each of the sports in our sample was calculated. The average frequency the sport appeared on television for these 12 weeks of the year was then used as an indicator of support group appeal.

Equipment cost: This imperative was operationalized as the amount of money required to purchase the equipment necessary to participate in the sport at the initial level of competition. For example, in figure skating, the costs of the equipment required for a child of six to seven years old was considered while in cycling, the costs of the equipment for a child of 11 to 12 years old was calculated. This variable considered only the equipment which participants were required to purchase. At the introductory levels of competition, for example, a child would not be expected to purchase a bobsled. Rather, this piece of equipment is provided by the local sport organization. Therefore, in the calculation of equipment costs, this cost was not included.

Affiliation fees: Like equipment costs, affiliation fees were operationalized as the amount of money required for an individual to affiliate with a provincial association, club, team, or league at the initial competitive level of the sport. In order to compete in a sport, an individual has to be a member of a provincial sport organization, a local sport club/team, and/or a league. The fees associated with this membership were calculated for a one year period and, in most of the cases, they covered the costs of the required facilities, the use of training equipment (e.g., rowing machines, weights), the insurance fees, and, where applicable, the salaries of coaches.

The data collection process for equipment costs and affiliation fees was undertaken simultaneously. The process consisted of contacting a provincial sport organization for each sport in the sample. The paid staff within these organizations were asked about the costs involved in participating in the sport in terms of equipment and affiliation fees. In cases, where the staff felt they could not offer accurate information, a local club or league was contacted. Data about costs were also confirmed by calculating the price of the necessary

equipment from catalogues and/or by contacting local sport organizations in other cities or provinces.

In the framework developed by Thibault et al. (1993), equipment costs and affiliation fees are presented as separate imperatives. However, since a number of sports have low equipment costs and high affiliation fees or vice versa, considering these separately does not accurately represent the financial entry barriers that exist for a particular sport. Most participants would, we believe, consider the total costs when making a decision to get involved in a sport. Consequently, for the purposes of testing the framework proposed by Thibault et al. (1993), equipment costs and affiliation fees were combined to form one imperative which we have labelled total costs. This is a more accurate measure of the financial investment involved when taking up a sport.

Data Analysis

In order to address the first purpose of this study, that is to empirically verify Thibault et al.'s two theoretically derived dimensions, a principal components analysis using the imperatives fundability, size of client base, volunteer appeal, support group appeal, and total costs was carried out. Principal components analysis allows the researcher to simplify as well as structure data by grouping the variables which are correlated together while distinguishing them from ones which are not correlated (Dunteman, 1989). As such, the analysis reduces the number of variables to deal with without compromising the information found in the data. The principal components analysis was used as a confirmatory tool for Thibault et al.'s framework. In confirmatory principal components analysis, "factors are defined according to the specification of a substantive theory. Interest here is directed toward seeing how well the data fit the proposed theory" (Bernstein, 1988, p.165). As Kim and Mueller (1978, p. 83) explain, confirmatory factor analysis or principal components analysis allows the researcher to verify "expectations concerning the number of factors and their loadings."

Results

The principal components analysis of the imperatives for all 32 NSOs produced a two component solution. That is, there were only two components which had eigenvalues of one or greater. These two components are reflective of the dimensions, program attractiveness and competitive position, proposed in Thibault et al.'s framework. The

eigenvalues and the proportion in percentage of the variance explained are shown in Table 3.1.

Insert Table 3.1 about here

The first component which corresponded to the dimension of program attractiveness explained 51.6% of the variance found in the cases. It included elements which represented how a NSO's domestic sport programs are appealing to members and potential members, to coaches, to the media, and to Sport Canada, the main source of funding for NSOs. The variables with high loadings on this component were: fundability, size of client base, volunteer appeal, and support group appeal. The second component represented the dimension of competitive position and included the composite variable, total costs. In other words, total costs was the only variable which had a high loading on this component. This component accounted for 21.2% of the variance in the sample. The total variance explained by the two components amounted to 72,8% which can be considered high. It is also important to note that our results follow Dunteman's (1989, p. 47) suggestion that each variable "has a high loading on at least one component so that each indicator is adequately represented by the ... two principal components." Table 3.1 shows the factor loadings of the five strategic imperatives.

Using the results of the principal components analysis, we were able to address the second purpose of our paper. In essence, with the results of the principal components analysis, we were able to locate our sample of NSOs according to their strategic type. This was accomplished by saving the orthogonal components scores for each NSO from the principal components analysis. It was then possible to plot these scores. As Dunteman (1989, p. 75) explains "a major advantage of principal components analysis is that if the first two principal components account for a substantial portion of the total variation, then we can approximate the distribution of the observations in the variable space by plotting the principal components scores."

Figure 3.1 shows the plot of each NSO's scores on the dimensions, of program attractiveness and competitive position. Program attractiveness scores are plotted along the y axis while competitive position scores are along the x axis. A value of 0 (the mean of the principal components scores) for

both components was used as the delineator to create the quadrants. As such, each quadrant corresponds to a specific domestic sport context (high-low program attractiveness, strong-weak competitive position) and this context is seen to determine the particular type of strategy a NSO is likely to exhibit. Figure 3.1 therefore identifies both the domestic sport context (based on strategic imperatives) of NSOs and their strategic type.

Insert Figure 3.1 about here

Table 3.2 presents the means and standard deviations of the imperatives according to strategic type.

Insert Table 3.2 about here

Discussion

Each of the four expected strategic types are discussed below. We focus, first of all, on the common characteristics of the organizations within each type. We then briefly outline the nature of the strategy we would expect these organizations to exhibit. Following the discussion of each of the strategic types we present a more general commentary on the utility of the framework developed by Thibault et al. (1993).

Enhancers: Seven organizations are found in the enhancer category. In many ways, this can be considered the ideal domestic sport context in that these organizations exhibit high levels of program attractiveness and, because their sports are inexpensive to participate in, they have a strong competitive position. *The NSOs in this quadrant all attained the highest funding rank* given by Sport Canada, they have a relatively large number of participants, and the highest number of certified coaches. They do, however, score below the sample mean on the imperative support group appeal. The total cost of participation in the sports within this strategic category is low. On average, they are the most inexpensive sports in which to participate.

When we look at the sports within this category, we find that most are included on the school physical education curriculum. As a result, they enjoy relatively good exposure among a population of individuals who are, at a stage of their life, where they often make decisions about the type of sport they will pursue for a number of years. This can obviously help create a

strong membership base for the sport, an important component of a domestic sport development strategy. The inclusion of these sports on the school physical education curriculum also facilitates the development of the type of networks and programs necessary for a comprehensive domestic sport system.

In addition to the fact that a number of the sports included in this category are part of the school physical education curriculum, most also have a strong recreational aspect. That is to say, they are widely practiced as a form of leisure activity. Like their presence on the physical education curriculum, the recreational component of these sports is also an important means of gaining members and channelling them into the domestic sport system. The majority of these sports are also team sports, another factor which may contribute to the creation of the type of networks necessary for domestic sport development.

Finally, all NSOs in the enhancer category with perhaps the exception of curling have minimal equipment requirements and the necessary facilities (e.g., gymnasia, swimming pools, fields, etc) are widely available. Accessibility is, as Thibault et al. (1993) hypothesize, readily gained through such agencies as school boards and municipal governments. Consequently, there are few barriers to involvement in these type of sports a factor which can further heighten the potential for their senior managers to develop a strong domestic sport component.

We would expect that the focus of the senior managers of these NSOs will be to maintain their current strategically desirable position. We would hypothesize that we may see some attempts to promote new domestic sport programs through existing networks, however, the main strategic focus of these organizations will be stability and they will engage in what Hodge and Anthony (1991, p. 237) refer to as a neutral strategy where the organization, will for the most part, "just keep doing what it has always done." Any growth that does take place will occur incrementally through the expansion and improvement of existing networks and programs. It is also, we would suggest, unlikely that senior managers will make any attempt to influence the NSOs' competitive position as this is already strong and if there are changes, these will be to those imperatives that influence program attractiveness.

Refiners: Four organizations display in their imperatives characteristics of high program attractiveness and a weak competitive

position. Based on their imperatives, these organizations are expected to develop what Thibault et al. (1993) refer to as a refinement strategy. Refiners have a higher score on media visibility than NSOs in any of the other three strategic types. They also have, on average, the highest number of participants, they have a high number of trained coaches, and are well ranked sports in Sport Canada's Sport Recognition System. However, compared to sports in the other strategic types, the participation costs of these sports are relatively high.

All four sports found in this strategic type are what could be termed "spectator sports". Hence, a high number of potential participants are exposed to the sports via the media or via their attendance at sporting events. Even though, this exposure is qualitatively different than that which individuals experience in enhancer sports, sports in the refiner category have a certain degree of appeal to the general population. In turn, this appeal represents an opportunity for organizations to recruit members for their domestic sport programs. However, in comparison to enhancers, NSOs included in the refiner's strategic type require more sophisticated equipment and facilities for participants engaging in their sport. Consequently, although these sports are appealing to a large pool of potential members the expenses associated with the practice of the sport (i.e., sophisticated equipment and facilities) act as entry barriers which can work to limit participation and thus, a strong domestic sport base.

It is interesting to note that all four sports exhibiting this strategic type have successful "professional" structures in North America (e.g., the National Hockey League, the Canadian Football League, professional figure skating competitions, ice shows, and the professional tennis circuit). This fact obviously contributes to their spectator appeal. They are also, as Thibault et al. (1993) suggest, mature sports in that their governing body has a long history in Canada (cf. Schrodt, Redmond, & Baka, 1980). As such, their linkages with other agencies are well established and they have fairly extensive experience with domestic sport development. The problem for these organizations in increasing their domestic sport base is, as noted above, cost. Of the four, football is the only organization where the sponsoring organization makes any attempt to provide equipment. In hockey, figure skating, and tennis, this cost and other expenses such as summer camps and private coaching are borne by the participant. Since these costs are generally

large, this is the primary limiting factor to these type of organizations developing strategic initiatives to expand their domestic sport development base. As a result of these limitations, the senior managers of these organizations are expected to work towards the refinement of existing programs, they may also focus some of their attention on the issue of the costs associated with their sport although this may be seen as beyond their control.

Innovators: A total of 16 organizations (half of our sample) have characteristics of low program attractiveness and a strong competitive position. These NSOs are expected to focus on strategies which stress innovative new programs to get more people involved in their sport. Overall, organizations in this group have the lowest number of trained coaches. Their Sport Canada domestic sport rank is low when compared to other organizations. They have very few participants and they have a lower frequency of visibility in the media than organizations in any other strategic group. The majority of the sports in this strategic type do not have an extensive history of participation in Canada. For example, the winter sports of bobsleigh, luge, and ski jumping, the team sports of water polo, field hockey, and team handball, and the other sports such as rhythmic gymnastics, synchronized swimming, and lawn bowling are, for the most part relatively new sports for Canadians. Consequently, they are not as popular with the general public as those sports in the enhancer and refiner categories. Furthermore, sports such as bobsleigh, luge, and ski jumping are not "grassroots" sports. Rather the focus of the NSOs governing these sports has been on high performance athletes. Consequently, the senior managers of these NSOs need to focus on programs that will draw people into their sport thus increasing their domestic sport base. They are not constrained by high entry costs in that the sports in this category are either relatively inexpensive or their programs are structured in such a way that the local organization absorbs any major costs.

We would expect the senior managers of these NSOs to focus on developing networks and programs to improve their domestic sport delivery system. As Thibault et al. (1993) suggest, they will need to be creative in finding ways to attract people to their sport. An obvious way to develop the type of strategic initiatives that will help with this is through the creation of joint ventures with schools and community organizations; the NSO provides the technical expertise in the sport while the school or community group

provides the delivery mechanism. It is also important for senior managers of the organizations in this category to increase their media visibility. As Thibault et al. (1993) suggest, increased media visibility can translate into a number of opportunities for a NSO to improve its domestic sport system. These not only include the increased number of people wanting to join the sport as a result of the exposure it is receiving but also the potential for increased corporate sponsorship and a larger number of competitive opportunities. The focus on innovation for these organizations' domestic sport strategy will allow them to further develop their sport in the country and thus attain their mandate. Increasing their level of program attractiveness will provide, possibly, new sources of funding.

Explorers: Five cases are in what is the most challenging domestic sport context with respect to the development of a strategy. When formulating and implementing a domestic sport strategy, these organizations face several options. These options may include a focus on increasing their level of program attractiveness, on improving their competitive position, or on enhancing both.

As Table 3.2 shows, the sports in this quadrant have the highest mean score on the imperative total cost; they have low program attractiveness which may be related to the high costs of taking part in the sports. When compared to the other strategic types, NSOs in this group have the lowest number of participants. With respect to Sport Canada's domestic sport rank, three of the five organizations (yachting, equestrian, and alpine ski) have a high rank, while the remaining two organizations (biathlon and freestyle ski) have the lowest possible rank. Thus, contrary to Thibault et al.'s (1993) hypothesis, this suggests that dependence on government funding is not, for these organizations, a primary determinant of strategic type. Overall, explorers have a relatively low number of trained coaches. As for media visibility, two NSOs enjoy frequent media coverage (alpine ski and equestrian) while the other three sports (yachting, freestyle ski, and biathlon) have low coverage.

All five explorers are sports which are not usually found on the school physical education curriculum. The sports are individual in nature and they are expensive. In fact, most of the sports in this strategic category have been linked, in the literature (cf. Le Clair, 1992), to the middle and upper socio-economic levels in that they are practiced predominantly by individuals from

these social classes. Le Clair (1992), for example, presents data which shows skiing, equestrian, and yachting to be some of the most expensive sports to undertake and, as such, this limits participation. As a result of this cost factor, these NSOs do not have the benefit of attracting a large number of participants at an early age. In addition, the nature of the sports in this category dictates the entry level of participants into domestic sport activities. For example, the skills needed to handle a sailboat, a rifle, or a horse are such that an individual has to be of a certain size or level of maturity to practice the sports safely. This again works to limit involvement.

Clearly the senior managers of these NSOs are somewhat limited in the strategic choices they can make to improve their domestic sport development system. While they can work to create programs and networks to increase participation in their particular sport, the costs associated with these sports limit participation. Consequently, we suggest senior managers of these organizations will attempt to enact their environment by continually exploring new program domains in an attempt to broaden their participation base. In order to do this, they will need to take advantage of perceived opportunities that may arise through such things as the success of a particular athlete or they may even work to enact their environment through such practices as lobbying the ski industry to make pricing adjustments for targetted groups. This will require them to continually monitor the conditions of their external environment and work to create change in the industry. Since this type of exploring strategy is a somewhat uncertain activity, any growth that does occur may be periodic.

We can see then from the descriptions above that classifying NSOs by their strategic imperatives does yield some important findings about the common characteristics of the sports in each group and as such, the type of strategy in which they are likely to engage. There is, however, another important point about the location of the NSOs within Thibault et al.'s framework. As can be seen in Figure 3.1, several organizations' principal components scores are close to one of the two sample standardized means. In other words, these organizations are close to the characteristics of another strategic type. For example, the organization responsible for alpine skiing has components scores which place it in the explorer strategic type, but its score on program attractiveness is very close to the sample mean for that dimension. As a result, alpine skiing, although classified as an explorer, is

close to being a refiner. This is one of several examples. In fact, if we were to choose arbitrarily, all the organizations which are within plus or minus 0.25 of the standardized mean, 16 NSOs, half of the sample, would be included. In other words, those organizations would be expected to display the characteristics of other strategic types.

From these observations, it is plausible to suggest that these organizations could develop strategies which reflect more than one of the types presented by Thibault et al. (1993). For example, for alpine skiing elements of both the explorer and the refiner strategy may be appropriate in order for the organization to deal with its context. Considering the high number of organizations that have domestic sport contexts which call for a combination of strategic types, it is important to note that the framework developed by Thibault et al. (1993) is indicative rather than definitive in its classification. This framework is essentially a typology of domestic sport strategies based on the contextual characteristics of NSOs. As Miles and Snow (1978, p. 30) explain,

> any typology ... is unlikely to encompass every form of organizational behavior -- the world of organizations is much too changeable and complex to permit such a claim. Nevertheless, the behavior of organizations as total systems cannot be fully understood and predicted without concepts appropriate for this level of analysis. Typologies provide an excellent vehicle in this regard since their primary strengths are codification and prediction.

What Miles and Snow (1978) recognize is that classification systems do not yield pure types. However, a typology such as the one developed by Thibault et al. (1993), is useful in that it can help to identify and isolate characteristics or imperatives which are common to organizations, and as such, it provides a basis for understanding the type of strategic initiatives these organizations are likely to pursue. The findings show the existence of patterns with respect to NSOs' domestic sport environment. As a result of these patterns, it is expected that there will be patterns in the strategies undertaken by the senior managers of these organizations as they pursue the development of their domestic sport programs.

Typologies such as the one empirically verified here are also important precisely because they do show which organizations are clearly located in

which categories and which are on the boundaries. The latter is important in understanding the relative degree of stability and change in an organization's strategy. The utility of typologies in understanding change has, in fact, been emphasized by several researchers (cf. Haas, Hall, & Johnson, 1966; Hambrick, 1984). Specifically typologies such as this one can provide a basis to aid in determining if an organization is permanently located in a "mixed" position or if over time it is moving towards the adoption of a particular type of strategy. Given the constantly changing nature of the demands on NSOs, understanding this type of change is obviously important.

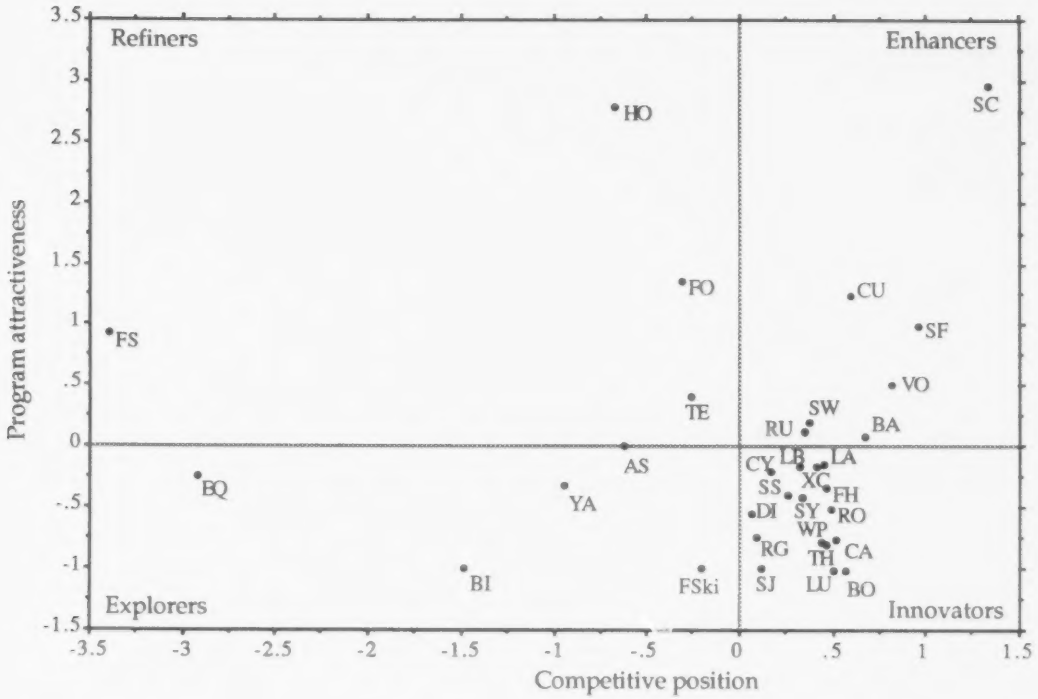
Conclusion

The strategy framework which has been empirically tested in this paper supports the notion of contingency. Even though the NSOs studied are all in the same institutional sector, there is no one ideal strategy for these organizations. Different domestic sport imperatives warrant different strategies. The contingency approach advocates a goodness of fit between the environment and the strategy undertaken. As Ginsberg and Venkatraman (1985, p. 421) explain in their discussion of the contingency perspective, it is based on the belief that "no universal set of strategic choices exists that is optimal for all businesses, irrespective of their resource positions and environmental context." Even though there may be general observable patterns in the environmental circumstances of NSOs when it comes to domestic sport activities, the environment of each individual NSO must be considered before undertaking the process of developing a strategy. In other words, the senior managers of NSOs need to ensure that there is congruency between their organization's environment and their strategy. As MacMillan (1983) and Montanari and Bracker (1986) suggest, these people will have a better opportunity to successfully implement a strategy when it is congruent with the environment.

Table 3.1. Rotated Factor Matrix for the Strategic Imperatives

	Strategic Imperative Factors	
	Program Attractiveness	**Competitive Position**
Fundability	.701	.029
Size of client base	.911	-.009
Volunteer appeal	.870	-.218
Support group appeal	.707	.273
Total costs	.002	.968
Eigenvalues	2.579	1.059
Cumulative variance explained	51.6%	72.8%

Figure 3.1. Plot of NSOs' Principal Components Scores*



*The acronyms used in this graph are identified below.

Enhancers	Refiners	Innovators	Explorers
Badminton-BA	Figure Skating-FS	Bobsleigh-BO	Alpine Ski-AS
Curling-CU	Football-FO	Canoe-CA	Biathlon-BI
Rugby-RU	Hockey-HO	Cross Country Ski-XCS	Equestrian-EQ
Soccer-SC	Tennis-TE	Cycling-CY	Freestyle Ski-FSki
Softball-SF		Diving-DI	Yachting-YA
Swimming-SW		Field Hockey-FH	
Volleyball-VO		Lacrosse-LA	
		Lawn Bowls-LB	
		Luge-LU	
		Rhythmic Gymnastics-RG	
		Rowing-RO	
		Ski Jumping-SJ	
		Speed Skating-SS	
		Synchronized Swimming-SY	
		Team Handball-TH	
		Water Polo-WP	

Table 3.2. Means & Standard Deviations for Sample and Strategic Types

Imperatives		Sample N=32	Enhancers N=7	Refiners N=4	Innovators N=16	Explorers N=5
Fundability	$\bar{X}$	3.56	5.00	4.75	2.88	2.80
	SD	1.50	0.00	0.50	1.36	1.64
	Range	1-5				
Size of client base	$\bar{X}$	58,444	139,143	180,235	9,187	5,655
	SD	111,356	157,386	158,817	12,541	4,444
	Range	125-40,4364				
Volunteer appeal	$\bar{X}$	4,221	11,010	7,641	1,261	1,451
	SD	6,088	9,449	3,675	1,049	1,422
	Range	16-30,822				
Support group appeal	$\bar{X}$	18.38	16.00	93.25	3.06	10.80
	SD	35.43	15.20	57.28	5.57	13.44
	Range	0-145				
Total costs	$\bar{X}$	619.13	136.57	1,383.75	261.44	1,827.60
	SD	928.81	123.82	1,685.39	168.27	1,047.31
	Range	25-3,865				

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CHAPTER 4
Strategy Formulation in Nonprofit Sport Organizations: Relating Environment to Planned Strategy

Strategic planning is an essential activity for all organizations. It allows managers to assess their organization's internal strengths and weaknesses, and evaluate opportunities and threats originating in the external environment (cf. Higgins & Vincze, 1989; Mintzberg, 1987; Montanari & Bracker, 1986). Strategic planning also allows managers to devise ways for their organization to deploy its resources and interact with its environment (cf. Galbraith & Kazanjian, 1986; Hofer & Schendel, 1978; Schendel & Hofer, 1979). As Higgins and Vincze (1989, p. 5-6) explain, senior managers of successful organizations develop "strategic plans for reaching strategic objectives while managing relationships in complex environments." In other words, the strategic plans developed by the senior managers must reflect the context or the environment in which their organization operates. Senior managers must understand their organization's environment in order to develop appropriate strategic plans. As Hofer (1976, p. 261) explains, "strategic planning is concerned with the development of a viable match between an organization's capabilities and the opportunities and the risks present in its environment." The analysis of strengths, weaknesses, opportunities, and threats (a SWOT analysis)[1] allows senior managers to determine their organization's environment (cf. Higgins & Vincze, 1989). In turn, the results of the SWOT analysis set the tone for the formulation of a strategic plan. As Kearns (1992, p. 6) explains, "goals and strategies emerge from the juxtaposition of opportunities and threats [OT] in the external environment and strengths and weaknesses [SW] in the internal environment." Furthermore, the SWOT analysis "requires decision makers to envision their organization interacting with factors in the dynamic external environment that can either facilitate or impede progress toward the mission of the enterprise" (p. 6).

As such, strategy becomes the formal map used by the senior managers of an organization to effectively handle the environment in which they have to operate. If the strategy does not address issues in the environment which

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[1] For the purposes of this paper, the focus is on the analysis of the external environment of opportunities. As such, the strengths and weaknesses of organizations will not be assessed.

affects the organization, then the strategy will be inappropriate for the organization. In an effort to achieve some level of effectiveness, senior managers must consider their environment when devising and formulating their strategy. The premise here is that in order for an organization to be effective, strategy has to match the environment.

Consequently, in an effort to extend the research literature on the strategy-environment match (cf. Higgins & Vincze, 1989; Hofer, 1976; Kearns, 1992), particularly its application to nonprofit sport organizations, the purpose of this study is to investigate the degree of congruency which exists between the environment of a set of national sport organizations (NSOs) and their planned strategy. Given the increasing interest in the nonprofit sector and a previous lack of extensive research in this sector of organizations (cf. Bryson, 1988; Drucker, 1990; MacMillan, 1983; Powell, 1987), a study on the topic was considered timely.

Drawing on the framework developed by Thibault, Slack, and Hinings (1993) and its empirical application (Chapter 3), this research addresses the process of strategy formulation in nonprofit sport organizations. Specifically, the study focuses on comparing the organizations' starting point with their planned strategy for their domestic sport activities. In other words, the extent of similarities and differences between the types of NSOs' domestic sport strategy we would expect based on an assessment of key imperatives[2] (starting point) and the strategy type based on the organizations' plans (planned strategy) will be the object of the study.

Two sub-problems are specifically addressed within this general research problem. The first sub-problem is to determine the extent of the changes proposed, in other words, the distance between NSOs' starting point and their planned strategies. In essence, this distance represents the amount of changes proposed by the organizations' senior managers for their domestic sport activities. The second sub-problem will address the direction of this change. The direction will provide evidence on the importance attributed to certain strategic imperatives.

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[2] In this chapter, key strategic imperatives are selected to assess the environment in which NSOs are planning for their domestic sport strategy. These imperatives represent important elements in the identification of the domestic sport environment of the NSOs. As such, the term environment in this chapter encompasses the domestic sport context of NSOs according to their strategic imperatives.

Although studies on planning and organizational change have been previously undertaken in the sector of nonprofit sport organizations (cf. Hinings & Slack, 1987; Kikulis, 1992; Kikulis, Slack, & Hinings, 1992; Slack & Hinings, 1987, 1992), research on any aspect of strategy in amateur sport organizations is scarce. This research gap prompted Thibault et al. (1993) to develop a framework aimed at identifying the types of strategies nonprofit sport organizations were expected to undertake. This framework was based on the assessment of several key imperatives. Categorized under two dimensions, program attractiveness and competitive position, the imperatives allowed the researcher to speculate on the particular types of strategies best suited for a NSO's domestic sport activities.

Thibault et al.'s (1993) framework was empirically tested in Chapter 3. The results of this empirical application showed strong support for the framework. Specifically, a principal components analysis carried out with data on imperatives revealed clear evidence of two components. These components corresponded to the theoretically derived dimensions presented in the framework. By retaining the components' scores of each case, it was possible to graphically plot the position of NSOs along the dimensions of program attractiveness and competitive position. Using degrees of program attractiveness (high-low) and competitive position (strong-weak) to delineate NSOs' domestic sport environment, four strategic types were uncovered: enhancers, innovators, refiners, and explorers. These types represented the NSOs' starting point for developing strategies as determined by its environmental contingencies.

Enhancers were characterized by high program attractiveness and a strong competitive position. As such, these organizations were in the best environment for domestic sport development. Given these circumstances, enhancers already have a comprehensive domestic sport system in place. As a result, it was suggested that their focus would be to maintain their strong domestic sport programs. Innovators had low program attractiveness and a strong competitive position. Senior managers of these organizations had the potential to improve their domestic sport activities since their sport's costs were relatively low; thus, they could attract new members to their sport in addition to retaining their current members. Refiners faced different challenges with respect to their domestic sport strategy. Organizations in this strategic type were characterized by high program attractiveness and a weak

competitive position. In other words, the costs associated with participating in these sports were relatively high, however, the organizations had managed to attain a high level of program attractiveness. Their challenge included retaining their members and devising ways to decrease the costs of practicing their sports. The last strategic type was entitled explorer. Organizations of this type were characterized by their low program attractiveness and their weak competitive position. Explorers were in the most challenging environment to develop their domestic sport strategy. They could either make changes to their program attractiveness, make changes to their competitive position, or make changes to both dimensions.

These four strategic types, enhancers, innovators, refiners, and explorers, were introduced and discussed in Thibault et al. (1993) and further explained in the previous chapter. Considering these different domestic sport strategic types and the environment of NSOs, it is possible to speculate as to the nature of the changes that were likely to be proposed in the NSOs' domestic sport quadrennial plan.

In general, since enhancers and refiners start their planning process with higher levels of program attractiveness and thus, have well established domestic sport systems, their plans are expected to contain very little in the way of any proposal for change. The reason for this expectation is based on the premise that with systems and programs in place, enhancers and refiners will not feel as much pressure as their counterparts (i.e., innovators and explorers) to undertake zealous and ambitious plans for their domestic sport activities. As a result, the difference between the NSOs' starting point and the planned strategies for enhancers and refiners will be smaller than for innovators and explorers. Innovators and explorers have, in essence, a greater distance to "travel" from their starting point in order to reach an ideal domestic sport environment. As such, following Miller and Friesen's (1984) work on organizational change, one would expect innovators and explorers to undertake revolutionary changes; that is, to implement substantial changes to their organizations' domestic sport programs. While, for enhancers and refiners, evolutionary changes (Miller & Friesen, 1984) will more likely be the norm; that is there will be small incremental changes to their organizations' domestic sport programs. As Tushman and Romanelli (1985) suggest, the forces and pressures affecting organizations involved in revolutionary changes or reorientations are different than the forces and pressures facing

organizations undertaking evolutionary changes or convergence. Even though the nature of reorientations involve a greater investment of resources on the part of the organizations than convergence, in both types of changes, senior managers attempt to reconcile the forces between stability and change. The following propositions deal particularly with the results, anticipated for each strategic type, in regard to the extent and direction of change each strategic type is expected to exhibit.

Proposition 1: The extent of changes proposed by enhancers will be small with no particular directional focus towards either the dimensions of program attractiveness or competitive position.

Since enhancers are operating under a favourable domestic sport environment, there is no need for organizations which exhibit this type of strategy to emphasize one dimension over the other. As a result, the extent of changes proposed by enhancers will be small and gradual in no particular direction. Their domestic sport circumstances enable them to make few changes to both dimensions of program attractiveness and competitive position. As such, the trajectory between enhancers' starting point and end point will be small.

Proposition 2: Refiners will propose more extensive changes in the direction of strengthening their competitive position rather than towards increasing their level of program attractiveness.

In specifying the extent of changes expected from refiners, the focus of the refiners' plans is expected to be in the direction of improving their competitive position. Refiners, by their very nature, are performing well in terms of program attractiveness. Therefore, organizations which exhibit this strategic type will likely introduce small incremental changes to their domestic sport programs. It is important to note, however, that since refiners govern sports which are expensive, their efforts will be directed towards decreasing the costs associated with the practice of their sport (i.e., improving their competitive position). The strategic plans of refiners will reflect this emphasis. Consequently, the direction of change proposed by refiners will focus on the dimension of competitive position more so than on the dimension of program attractiveness.

Proposition 3: Innovators will propose extensive changes in the direction of increasing their levels of program attractiveness rather than strengthening their competitive position.

Organizations which are expected to follow an innovation strategy will devote their efforts and energies to improving the program attractiveness of their sport. These efforts may well represent extensive changes for the organizations. Since the domestic sport environment of innovators involves low levels of program attractiveness and a strong competitive position, one would expect their plans to introduce schemes or activities to increase the attractiveness of the programs in these organization. In moving towards increasing their levels of program attractiveness, the distance between an innovator's starting point and its planned strategy will be greater along the direction of program attractiveness than along the dimension of competitive position.

Proposition 4: Explorers will propose to undertake extensive changes in the direction of increasing the level of program attractiveness, of strengthening their competitive position or of increasing program attractiveness and strengthening competitive position.

Since explorers have the least desirable domestic sport environment, they will plan to make extensive changes in the direction of one or both of the dimensions of program attractiveness and competitive position. Extensive changes in one or two directions are necessary for the survival of the explorers' domestic sport activities. Without changes to the two dimensions, or changes to one dimension, explorers will have difficulty in maintaining successful domestic sport programs. Given their domestic sport environment, explorers are expected to travel the greatest distance towards the direction of increasing their program attractiveness and/or strengthening their competitive position.

These propositions serve as a guide to present the results. Since the study focuses on a specific sector of nonprofit organizations, NSOs, it is important to explain the setting before proceeding to an explanation of the methods used to explore the sub-problems outlined earlier.

The Research Site

National level organizations operating within the Canadian sport delivery system were selected as the research site for this study for several reasons. Firstly, this setting was the object of study in the previous chapter and, as such, focusing on this group of organizations allowed the researcher to build on previous work by way of comparisons between the results found in Chapter 3 and the results of this chapter.

In addition to these factors, NSOs were for the first time, involved in a formal long term planning program for their domestic sport activities. This planning program was initiated by Sport Canada, a federal government directorate. In fact, the federal government has had extensive previous involvement in the Canadian sport delivery system. Several researchers have commented on the complex interrelationships existing between Sport Canada and NSOs (cf. Dubin, 1990; Kidd, 1981; Macintosh, Bedecki, & Franks, 1987; Macintosh & Whitson, 1990; Morrow, Keyes, Simpson, Cosentino, & Lappage, 1989). Even though the involvement of the federal government has raised several issues (i.e., control, power, autonomy of the NSOs) within the sport community, there is an implied understanding that Sport Canada's involvement has actually provided NSOs with much needed funding and direction. As Morrow et al. (1989, p. 342) explain, "government funding has stabilized and improved the quality of the administrative and technical capabilities of the NSOs."

In addition to the funding support, NSOs have benefited from programs developed and administered by Sport Canada. One such program has been the Quadrennial Planning Program (QPP). Also known as "Best Ever", the program was originally created in 1983 to assist NSOs in the development of systems and processes which contribute to improved sport performances by Canadian athletes at the 1988 winter and summer Olympic Games. This planning program was renewed in 1988 to cover the following quadrennial. In the revised version of the program, NSOs were encouraged to plan and strategize for domestic sport as well as high performance sport (Sport Canada, 1988).

Thirdly, even though the formal preparation of plans for domestic sport activities is a first for most NSOs, the organizations' previous involvement in domestic sport has been largely overshadowed by their work in high performance sport. The need to increase the number of Canadians involved in competitive sports at all levels was the impetus to include domestic sport as a key planning initiative. In essence, Sport Canada (1989, p. 1) believed that the "lack of participation [could] be attributed in part, to the fact that the current Canadian sport system [did] not have the capacity to promote and deliver quality competitive sport programs to all Canadians." As such, a domestic sport strategy was perceived as the starting point for

NSOs to ensure the development of quality competitive sport programs to their members.

Although no research has ever been undertaken concerning domestic sport strategies within NSOs, the impact of the QPP on these organizations has been the object of study in previous work. The research of Slack and Hinings (1987, 1992), Hinings and Slack (1987), and Kikulis et al. (1992) has focused particularly on the issue of change in NSOs as a result of the introduction of a formal planning program. This work has been useful in furthering our understanding of structural and value changes in sport organizations, however, the nature of the strategic plans as well as the environment under which these organizations were operating were not the focus of their studies. Given the importance of the strategy-environment fit and the paucity of this type of work in nonprofit organizations in general, and sport organizations in particular, the research site selected provides an excellent milieu to study the relationship between environment and strategy.

Methods

Since this study is part of a larger research project, the same 32 NSOs selected in Chapter 3 work were, once again, chosen as the sample for this paper. This same sample of organizations was necessary in order to investigate the extent of planned change in NSOs' domestic sport strategies. A list of all NSOs included in the sample can be found in Appendix A. Once the sample was selected, the data collection process was undertaken. This process followed a three phase approach, the first involved determining the NSOs' starting points, the second determining their planned strategies, and the third comparing starting points with planned strategies. The steps in each of these data collection phases are outlined below.

Data Collection and Analysis of NSOs' Starting Point

The data required to determine the NSOs' starting points were, in fact, collected in Chapter 3. Specifically, information was collected about the following imperatives: fundability, size of client base, volunteer appeal, support group appeal, equipment costs, and affiliation fees. These imperatives were proposed as key elements to consider in the development of a domestic sport strategy (cf. Thibault et al., 1993). The first four imperatives of this list were grouped under the dimension of program attractiveness. While the last two variables, equipment costs and affiliation fees, constituted the dimension of competitive position.

Through interviews and document analyses, data on each of the environmental variables were collected in order to determine the starting point of each NSO in the sample. The raw data on each of the six variables used in the previous chapter were transformed for this study. This transformation consisted of recoding the data into scores along Likert-type scales ranging in value from 1 to 6. The data transformation process was necessary to compare the NSOs' starting points with their planned strategies. The Likert scales were constructed by considering the sample mean and the standard deviation of each variable.

Specifically, 6 ranges of scores were created by adding to, and subtracting from the mean of each imperative, a quarter and a half of the standard deviations. As Agresti and Finlay (1986) suggest, considering a measure of central location such as the mean and a measure of dispersion such as the standard deviation provides the researcher with a more appropriate description of variables than only using a measure of central location. For all imperatives under the dimension of program attractiveness, the value of 1 was considered low while 6 was considered high. For the creation of the 6 ranges, the following procedure was undertaken for all imperatives. First, the mean was used as the maximum value for the score of 3 (the minimum value for 3 was the mean - one quarter of the standard deviation). Second, the mean was also the minimum value in the range for the score of 4 (the maximum value for 4 was the mean + one quarter of the standard deviation). Third, the score of 1 covered the range of all values lower than the mean minus one half of the standard deviation while the score of 6 included the range of all values exceeding the total of one half of the standard deviation added to the mean. Fourth, the score of 2 covered the range of values found between the maximum value in the range for the score of 1 and the minimum value in the range for the score of 3. The score of 5 covered the range of values found between the maximum value in the range for the score of 4 and the minimum value in the range for the score of 6.

For the imperative, total costs, 6 represented the lowest value while 1 was considered the highest value. As such, in order to determine the ranges for the 6 values, the process followed for the program attractiveness imperatives was inverted. In Table 4.1, the ranges are presented graphically for both the dimensions of program attractiveness and competitive position.

Insert Table 4.1 about here

Once the transformations were completed, the new value for each of the imperatives which constituted the dimension of program attractiveness was computed by averaging the four scores for fundability, size of client base, volunteer appeal, and support group appeal to give an overall score for this dimension. This new score is representative of NSOs' position along the dimension of program attractiveness. For example, a high score means that NSOs have a number of systems and programs in place to ensure and maintain well-developed domestic sport programs. A low score suggests that NSOs do not have a comprehensive or elaborate domestic sport component.

The same approach was used to determine NSOs' score on the dimension of competitive position. The transformed values on the variables equipment costs and affiliation fees were averaged. This new mean score was considered representative of the organization's competitive position with respect to their domestic sport activities. For example, a high value on competitive position means that a NSO had a relatively inexpensive sport compared to other NSOs in the sample while a low score was indicative of the high costs associated with the practice of the sport.

In following this method of data gathering and transformation, each NSO has two scores, a score for program attractiveness and a score for competitive position. These two scores form the basis for determining the type of strategy a NSO is expected to follow with respect to its domestic sport activities. As well, for the purposes of this paper, these scores represent the NSOs' starting point for their domestic sport strategic planning. Once the NSOs' starting points were uncovered, it was possible to proceed to determining the NSOs' planned strategies.

Data Collection and Analysis of NSOs' Planned Strategy

An analysis of each of the NSO's domestic sport plan provided the basis for determining their planned strategy. Each organization's quadrennial plans was obtained from Sport Canada, the key instigator of the domestic sport planning program. This allowed the researcher to be as unobtrusive as possible to the NSOs. For most organizations, plans covered a period of four years (i.e., 1988-92) and represented the outcome of an exercise undertaken by members of the NSOs in order to map out their long term plans for their domestic sport programs.

The content analysis of the plans was carried out by using selective information from the planning documents. This selection of information was necessary because of the large variation in the plans. Plans were not uniform across all organizations. As such, taken in their entirety, plans were not readily comparable. Some NSOs had clearly detailed their specific intentions with respect to domestic sport. Others had simply presented an overview of what they wanted to achieve with their domestic sport programs. The diversity of the plans made it difficult to analyze them in the state they were submitted to Sport Canada. As a result, key portions of the plans were retrieved for analysis. This selection of information from the plans was achieved following the suggestions postulated in several other strategy studies (cf. Galbraith & Kazanjian, 1986; Higgins & Vincze, 1989; Hofer & Schendel, 1978). In essence, in the process of studying strategy these authors recommend a focus on an organization's mission, mandates, goals and objectives, strategic issues (i.e., conditions or circumstances which require specific considerations), and action statements or program initiatives. The element of resource deployment associated with organizational actions or program initiatives is also considered important by strategy researchers. However, since resource deployment was not outlined in the NSOs' strategic plans[3], this element was not considered in the analysis of these plans.

As a result of the work on strategy formulation and particularly on the content of strategic plans, NSOs' plans were analyzed by using the information from the plans which dealt with the mission or mandate of the organization, the goals and objectives, the strategic issues, and the program initiatives. This information consisted of statements representing the organizations' strategic activities regarding domestic sport. The information was taken verbatim from the NSOs' planning documents and transcribed into a computer file; no interpretation or modifications to the text were made. It is this selective information, or what was termed the "planning profile", that was used for the content analysis of the NSOs' planned strategy. This information was judged to be representative of the type and substance of an NSOs' domestic sport strategy.

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[3] Resource deployment is not part of the national sport organizations' strategic plans. Plans are developed and then, submitted to Sport Canada. As the primary funding agency of NSOs, Sport Canada allocates financial resources to the organizations according to their plans.

With respect to the analysis of the content of the planning profiles, it was necessary to seek out the senior managers' intent for their organization using the same imperatives employed to uncover their starting point. These imperatives are outlined in the previous section. The use of these imperatives to analyze the NSOs' plans made it possible for the researcher to compare the organizations' starting points with their planned strategies. Certain modifications were made in the operationalization of the imperatives in order to analyze the content of the plans. Specifically, for the imperative fundability (i.e., domestic sport rank), statements in the plans dealing with the federal government agency, Sport Canada, its Sport Recognition System and/or the public sector were noted. Concern on the part of the NSOs about their relationship with the government was viewed as an interest in the improvement of their assigned domestic sport rank. Statements such as "to design and implement ... government as well as swimming community relations programs that will support Swimming *Natation* Canada goals; to develop procedures and programs that ensure government acknowledgement, recognition and liaison" (Swimming/ *Natation* Canada, 1989, p. 37) and to "ensure continuing cooperation with Fitness and Amateur Sport [federal government ministry] ..." (Canadian Figure Skating Association, 1989, p. 29) were statements in the plan which were taken as examples of senior managers' concern for maintaining or improving their domestic sport rank. This, in turn, has implications on the public funding an organization receives for its operations.

For the imperative size of client base (i.e., number of members), concern in the plans about programs, competitions, and support services to participants were all considered as aspects of the imperative size of client base since they all dealt with the notion of retaining or servicing current members, or increasing the number of participants in the organization. Statements like "to develop a domestic competitions program that enhances athlete development at all levels" (Ski Jumping, Canadian Ski Association, 1988, p. 2) or "to identify and add players to the pool for all national teams' programs" (Canadian Rugby Union, 1987, p. 25) are examples of the type of information considered for the imperative number of participants.

The imperative volunteer appeal (i.e., number of coaches) was operationalized as any information about coaching or coaches - whether it be training, development, education, certification, or increasing the number of

coaches within the sport. For instance, statements such as "to develop competent coaches through the effective and efficient delivery of standardized educational opportunities" (Football Canada, 1988, p. 29) and "to ensure the development and training of coaches for recreational skating; to provide educational opportunities for coaches" (Canadian Figure Skating Association, 1989, p. 14-15) are examples of the type of material used to assess the variable number of coaches.

For support group appeal (operationalized as media visibility), text in the plans about promotion, public relations, marketing, or media was taken into account. These statements were perceived as ways for the organizations to ensure, and p bly enhance, the visibility of the sport it represented. Evidence of this imperative in NSOs' plans include statements like to "continue development of promotional publications/posters to the membership", to "expand promotion of programs through marketing ..." or to "expand sponsorship involvement with recreational programs" (Canadian Figure Skating Association, 1989, p. 28, p. 31).

The imperatives, equipment costs and affiliation fees, were analyzed collectively under the variable total costs. Given the rationale provided in a previous chapter (see Chapter 2) to combine these imperatives, the variable, total costs, was used once again. For this "new" imperative, text in the plans dealing with the accessibility of the sport through equipment, affiliation to a club, a league, or a team, and/or facilities was considered. Any mention of the development of these areas was noted in the content analysis of the plans. Statements such as "to enhance sport growth by facilitating the construction of small jumping hills, to make available equipment that will meet the needs of participants" (Ski Jumping, Canadian Ski Association, 1988, p. 2) and "to assist in the development and implementation of safe and complete diving facilities in pools throughout Canada; [to] review current Canadian Amateur Diving Association club/municipal pool facilities/equipment situation" (Canadian Amateur Diving Association, 1989, p. D-4-11) were taken as being reflective of the NSOs' concern for the imperative total costs.

Although the imperatives identified in Thibault et al.'s framework were representative, not necessarily exhaustive, they appear to be of concern to NSOs in their quest for improved domestic sport programs. In a general assessment of the overall content of the plans, it was evident that more than 90% of the plans covered the imperatives identified in this framework.

However, two additional topics not accounted for in the framework were uncovered. These topics were the development of officials and the structure of the organizations. The development of officials could have been considered in the framework under the imperative, volunteer appeal. However, given the fact that NSOs use different methods for calculating the number of their officials and the fact that the number of coaches is a more accurate and representative indicator of the system in place to accommodate members, the number of officials was not considered in the analyses of the planning documents.

As for the topic of organizational structure, it was assumed that changes to any of the identified imperatives would invariably lead to changes in the structure of the NSOs. Chandler's (1962) classic argument about the relationship between strategy and structure is based on this premise. Also, along the same lines, Miller has noted that "strategies can ... influence choices of structure through the particular coordinative, technical, and control problems they create" (1988, p. 281). One can appreciate the impact a strategy will have on the structure of nonprofit sport organizations, however, given the purpose of this study, the link between strategy and structure was beyond the scope of this research paper.

The fact that imperatives were apparent in the plans adds support to the use of the framework developed in Chapter 2. In essence, the imperatives are reflective of what senior managers of NSOs feel was important when formulating their domestic sport strategy. Even though there was a high degree of diversity in the NSOs' domestic sport plans, there were similarities with respect to the topic areas addressed in the plans. These similarities lead us to believe that NSOs share the same point of view with respect to the nature of domestic sport. This reinforces the fact that variations found in the plans were the result of the different degrees of importance attributed to common themes. In other words, the variations were not due to differences in interpretations of what domestic sport is all about for NSOs.

Once the NSOs' planning profiles were completed and imperatives were operationalized, an 11 item questionnaire representing the strategic imperatives was developed in order to analyze the planned strategies of each NSO. The questionnaire focused on describing, on a 6 point Likert scale, the importance attributed in NSOs domestic sport plans to each imperative.

Statements explaining the different levels of importance were outlined in the questionnaire. A copy of this questionnaire is included in Appendix B.

The application of this research instrument allowed the researcher to quantify the qualitative information found in the NSOs' domestic sport planning profiles. Three individuals familiar with NSOs and knowledgeable about the operations of these organizations were involved in this procedure in order to minimize the principal researcher's bias. Two of these individuals were independent raters, that is they had had no previous or subsequent involvement in the research project. The third rater was the principal researcher. The use of multiple evaluators of organizational documents for the purposes of analysis is not a new technique. Miller and Friesen's (1984) work on organizational transitions is an example of a study which uses multiple raters to analyze organizational documents. This technique minimizes a single researcher's biases and increases the potential and speed of data collection. As well, a greater sample of organizations and/or more substantial organizational documents can be analyzed when several trained raters are involved in the process (cf. Kazdin, 1982).

The raters involved in the analysis of the NSOs' planning profiles followed a two step approach. The first step consisted of identifying the focus of each section of the profiles. This allowed raters to specify the emphasis (i.e., imperative) of these sections according to items included in the questionnaire. The second step focused on identifying the NSOs' senior managers' concern for other imperatives which were mentioned in the sections of the profiles but were not the central theme of these sections. In essence, the two step approach led to the identification of the degree of importance attributed to each item in the questionnaire. Using a 6-point scale, raters were then asked to assign a number reflecting the degree of importance attributed to each item. This scale is presented in Appendix B. In cases where multiple items made up an imperative, a mean of the scores was calculated. Scores on the imperatives were determined for every organizations.

Following Miller and Friesen's (1984) approach, an assessment of inter-rater agreement was carried out on the responses of the three raters on the first five NSOs. Using a Pearson product-moment correlation (cf. Hartman, 1982; Kazdin, 1982), agreement between the three coders was judged to be excellent The lowest correlation between coders for the assessment of the five

organizations' planning profiles was .9640. Given this high correlation, the remaining 27 NSOs' profiles were divided among the three coders for analysis.

Comparisons between NSOs' Starting Point and Planned Strategy

Once the analyses of the planning profiles were completed, imperatives were grouped according to their dimensions, program attractiveness or competitive position. A score for each dimension was calculated for all 32 NSOs by averaging the items forming the imperatives (i.e., size of client base, support group appeal, and total costs). Following this step, an average of the scores for each imperative according to their dimension was calculated. To compare the NSOs' starting points with planned strategies, the scores on both dimensions of program attractiveness and competitive position for planned strategies were added to the scores obtained earlier for NSOs' starting points.

Since NSOs voluntarily chose to develop domestic sport, the assumption was that the senior managers of these organizations were genuinely interested in making changes to their domestic sport activities and programs. As such, the formal preparation of plans was evidence, on the part of NSOs, that they intended to improve their domestic sport activities. The strategic objectives of Tennis Canada are good examples of the changes senior managers wish to undertake in order to develop the domestic sport programs of their organization. The following statements reflect this type of change: "to develop national programs which will provide the foundation for tennis development ...; to emphasize youth development and increased participation by youth in a range of tennis programs at facilities across Canada" (Tennis Canada, 1989, p. 3).

Since the planning program was voluntary in nature, it is assumed that senior managers who did not care to improve their organizations' domestic sport programs, for whatever reason, would not have undertaken the development of strategic planning. Consequently, it was logical to add the planned strategy scores to NSOs' starting point scores as these scores represented the baseline.

Once these scores were plotted, it was then possible to focus on the extent and direction of the organizations' proposed changes between their starting point and their desired end point. On a graph, the starting point for all NSOs in each of the four strategic types were plotted. Following this, the results of the calculation of the end point (starting point scores + planned

strategy scores) were plotted, once again by strategic type (see Figure 4.1 for enhancers, Figure 4.2 for innovators, Figure 4.3 for refiners, and Figure 4.4 for explorers). These scores were plotted according to their strategic type (at starting point) in order to avoid confusion[4]. Less cases per figures provided a clearer picture of the direction of proposed changes and the distance between NSOs starting point and their end point.

Results and Discussion

The results of this study are divided into two sections. The first section presents and discusses the results according to the propositions presented in the introduction of this paper. The second section focuses on presenting and discussing the overall findings about the organizations as a population.

Differences between NSOs' Starting Point and Planned Strategy: The Propositions

This section deals with the extent to which the propositions are accurate in describing the results found in the study. In other words, the differences between starting points and planned strategies are explained.

Proposition 1: In total, seven organizations were identified in Chapter 3 as having a domestic sport environment which called for an enhancer strategy. When examining the results presented in Table 4.2 and in Figure 4.1, empirical evidence is found which supports the proposition postulated in the introduction. Specifically, in proposition 1, it was claimed that **the extent of changes proposed by enhancers would be small with no particular focus on any of the dimensions of program attractiveness and competitive position.** From the analysis of the data, it is clear that enhancers plan to make the least extensive changes to their competitive position. As well, they intend to make the least amount of changes to their program attractiveness. As previously argued, this appears to be a logical course of action for these organizations given the fact that enhancers are initiating their domestic sport strategy under favourable circumstances (high program attractiveness and strong competitive position). The introduction of extensive changes to their domestic sport activities was not necessarily a priority. The findings are in line with what was expected of NSOs in this strategic types as the senior

[4] A NSO's strategic type at its starting point may be different than the strategic type they expect to have once their planned strategies are implemented. In other words, it is possible for NSOs to move to a new strategic type.

managers of these organizations are planning to make the least extent of change to both dimensions.

Insert Table 4.2 & Figure 4.1 about here

Furthermore, it is interesting to note that out of 11 organizations in the sample, six enhancers (soccer, softball, curling, volleyball, swimming, and rugby) have not considered any changes to the dimension of competitive position in their plans. Only badminton chose to propose minor changes to the financial accessibility of their sport. All other changes proposed by senior managers of organizations in this strategic type focused on the dimension of program attractiveness, even though these planned changes were small.

Proposition 2: Four NSOs were identified as refiners. When comparing the starting point of these organizations with the planned strategies, as visible in Figure 4.2, refiners were the organizations in the sample that planned to make the most extensive changes to their program attractiveness. In fact, relative to the other strategic types in this study, refiners' mean difference score was 2.48 (significant at the .01 level) for the dimension of program attractiveness while the mean difference score for competitive position was 0.58 (see Table 4.2). These scores seem to be incongruent for refiners since their domestic sport environment clearly indicates high levels of program attractiveness. Furthermore, given the expensive nature of their sport, senior managers of these organizations were not preoccupied with their weak competitive position as minimal changes were proposed for the dimension of competitive position. As a result, the findings do not support the proposition that **refiners will predominantly propose changes to their competitive position rather than to their program attractiveness** in their planned strategy.

Insert Figure 4.2 about here

It is plausible to think that since refiners already have high levels of program attractiveness, administrators may not have felt the need to develop strategies about strengthening their organization's competitive position. Instead, they chose to invest their effort on improving the dimension of program attractiveness. Perhaps, members of NSOs believe that it is easier to

build on the high levels of program attractiveness rather than on changing the weak competitive position. Consequently, refiners' plans do not appear to match the environment of their domestic sport activities since the emphasis of their plans is on program attractiveness, not competitive position.

Proposition 3: Innovator was the most common strategic type among NSOs. In total, half of the sample (16 NSOs) had a domestic sport environment which called for a strategy based on innovation (cf. Chapter 3). When comparing this starting point with the organizations' planned strategy, four out of 16 innovators (canoe, synchronized swimming, team handball, and water polo) had no plans to change their competitive position while another nine organizations (diving, field hockey, lawn bowls, luge, cross country ski, speed skating, cycling, lacrosse, and rhythmic gymnastics) proposed to make more changes to their program attractiveness than to their competitive position (see Figure 4.3). Therefore, a total of 13 innovators intended to make more extensive change to their dimension of program attractiveness than to their dimension of competitive position. Furthermore, as outlined in Table 4.2, innovators' mean difference score on program attractiveness is 2.22 while the mean difference score for competitive position is 1.29. These are significant at the .0001 and .001 levels respectively. Consequently, some support is found for the proposition presented in the introduction, that is **innovators will predominantly propose changes to their program attractiveness**.

Insert Figure 4.3 about here

Relative to the sample mean scores, however, this empirical support for the proposition is questionable. Specifically, when compared to the other NSOs in the sample, innovators intended to make the most extensive changes to the dimension of competitive position. Furthermore, three out of 16 organizations (bobsleigh, rowing, and ski jumping) have devoted more attention to their dimension of competitive position than to their program attractiveness. These results are somewhat incongruent with the focus of most of the NSOs' plans considered innovators.

Furthermore, using the sample scores as a basis for comparison, the importance attributed by innovators to the dimension of competitive

position is contradictory to their domestic sport environment since this environment called for an emphasis on improving the program attractiveness of their activities. Given the strong competitive position of innovators, the need to propose any modifications to the financial accessibility of the sport was unnecessary because NSOs in this strategic type had relatively inexpensive sports. Innovators display characteristics of Miles and Snow's (1978) reactor strategic type. That is, innovators show strategic responses which are inconsistent with their environmental conditions. Following Miles and Snow's arguments, innovators' focus on their competitive position represents a strategic response that does not correspond to the domestic sport environment they face.

Proposition 4: The five organizations which are labelled explorers faced the greatest challenges in terms of domestic sport (cf. Chapter 3). The results presented in Table 4.2 showed that explorers had relatively high difference scores on both program attractiveness (mean: 2.37) and competitive position (mean: 1.13). Furthermore, it is important to note that these differences are statistically significant at the .01 and .05 levels respectively. NSOs intended to strengthen their competitive position and to improve their program attractiveness. Under the domestic sport environment of explorers, the results in Table 4.2 and in Figure 4.4 supported the propositions presented in the introduction. In other words, **explorers proposed extensive changes to both dimensions, program attractiveness and competitive position.**

Insert Figure 4.4 about here

The findings support the premise that explorers have actually considered the domestic sport environment of their organizations before developing their strategic plans. Specifically, all explorers planned, to a certain extent, to change their competitive position. Only one organization (biathlon) devoted more importance in their plan to the dimension of competitive position than to the dimension of program attractiveness. The reason for this may be simple; it may be easier for explorers to make changes to their program attractiveness. Since the involvement in the planning program was voluntarily and explorers were starting this planning exercise in the least desirable domestic sport environment, these NSOs were expected to

undertake a number of changes to their program attractiveness and their competitive position to improve their domestic sport delivery system.

General discussion

From an overall assessment of Figures 4.1, 4.2, 4.3, and 4.4 it is evident that, with respect to domestic sport, NSOs start from different points and they produce different strategic plans. It is also clear that the senior managers of most organizations place greater emphasis on changing their program attractiveness than on changing their competitive position. The greatest overall difference between starting points and planned strategies occurs on the dimension of program attractiveness. The direction of the change is towards higher levels of program attractiveness. As outlined in Table 4.2, the sample's mean difference between starting points and planned strategies is 2.20 for the dimension of program attractiveness while this difference is 0.91 for the dimension of competitive position. A t-test carried out on these data revealed statistically significant differences between these two means at the .0001 level.

In addition to these results, it is interesting to note that 11 NSOs (34.4% of the sample) have chosen not to initiate any changes to their competitive position. These organizations were biathlon, canoeing, football, freestyle skiing, rugby, speed skating, swimming, synchronized swimming, team handball, volleyball, and water polo. The senior managers of these organizations do not deal, in their plans, with equipment, facilities, or costs associated with the practice of their sport.

It is obvious from the results that most NSOs' plans have emphasized changes to the program attractiveness of their domestic sport activities. Several arguments can be put forth to explain this focus. First, it is possible that senior managers of NSOs consider competitive position (or the costs associated with the practice of their sport) to be beyond their direct control. They may feel limited in their efforts to influence the costs or fees to members involved with the sport. Secondly, the issue of costs may be perceived as part of the jurisdiction of provincial and/or local sport organizations and, given the sometimes delicate ties between national and provincial organizations, NSOs may wish to avoid the issue of cost. It is local and provincial sport organizations which have to assume, to a great extent, the costs of delivering domestic sport programs. As a result, these organizations are often responsible for setting up the affiliation fees, etc.

As for equipment costs, the nature of the equipment required for a sport is usually what determines its price. For example, the equipment needed for soccer is very basic and inexpensive compared to the equipment required for biathlon. Hence, a sport organization, such as Biathlon Canada, is very limited in its quest to lower its equipment costs. Furthermore, since decisions about the cost for equipment are made by the corporations which produce this equipment, it may be difficult or even impossible for NSOs to influence these private independent corporations. A third explanation may be that some NSOs simply do not believe the costs of their sport is an issue in the development of domestic sport. If this is the case, then NSOs would not attempt to make their sport more financially "accessible" to a greater pool of members. They may simply choose to focus on improving the dimension of program attractiveness.

As mentioned previously, 11 NSOs focused exclusively on planned changes to the dimension of program attractiveness. Excluding these organizations, there are 21 organizations (65.6% of the sample) which intend to make changes to both dimensions, program attractiveness and competitive position. These 21 NSOs are undertaking a task which Porter (1980) would consider difficult. If parallels are drawn between the dimensions of program attractiveness and competitive position and two of Porter's generic strategies, differentiation and cost leadership, one can further understand some of the difficulties NSOs are likely to experience in making changes to both dimensions.

Essentially, program attractiveness and competitive position serve as dimensions used to identify the domestic sport environments of NSOs. In turn, this environment is a determinant of the type of strategy NSOs would undertake. These strategic types are based on increasing the organizations' levels of program attractiveness or strengthening its competitive position. For Porter (1980, p. 37), differentiation consists of a strategy based on "differentiating the product or service offering, creating something that is perceived industrywide as being unique." The similarity with the dimension of program attractiveness is evident. NSOs striving for increased levels of program attractiveness will focus on developing programs and activities aimed at increasing the appeal of their sport to both their current clientele and their future clientele. The element of uniqueness or originality may give a NSO the competitive edge over other NSOs.

Porter's (1980) other generic strategy, cost leadership, consists of maintaining the lowest cost relative to competitors. The low cost position "gives the firm a defense against rivalry from competitors" (p.35-36). Similarly, a NSO concerned with achieving a strong competitive position will focus on lowering the costs associated with the practice of the sport. Presumably, lower costs would increase the accessibility of the sport. For example, participants may be more inclined to join an inexpensive sport (e.g., badminton, canoe, rugby, soccer, softball) than to join an expensive sport (e.g., equestrian, figure skating, biathlon, yachting).

In the development of a competitive strategy typology, Porter believes that organizations can only effectively focus on one strategy at a time. As he explains,

> implementing them [generic strategies] requires different resources and skills. The generic strategies also imply differing organizational arrangements, control procedures, and inventive systems. As a result, sustained commitment to one of the strategies as the primary target is usually necessary to achieve success. (Porter, 1980, p. 40)

Following Porter's arguments, administrators of NSOs should focus on either program attractiveness or competitive position in order to be effective in the strategy implementation process. As Miller (1992, p. 37) noted, "most people believe that differentiation and cost leadership are mutually exclusive -- that given the resource limitations of most firms, both strategies cannot be effectively pursued at the same time." However, some researchers (cf. Dess & Davis, 1984; Miller, 1992; Murray, 1988) believe that an organization's environment may be conducive to a specialized strategy (differentiation or cost leadership) or to a mixed strategy (combination of differentiation and cost leadership strategies).

As Murray (1988, p. 398) explains, "external factors dictate a set of strategic means which may include components aimed at reducing costs, raising revenues through product differentiation, or both." Murray (1988) and Miller (1992) realize that, although strategic specialization is sometimes necessary, the exclusive pursuit of one generic strategy may lead to "serious gaps or weaknesses in product offerings, ignore important customer needs, be easy for rivals to counter, and, in the long run, cause inflexibility and narrow an organization's vision" (Miller, 1992, p. 37). In extrapolating from Murray

and Miller's arguments, one could very well suggest strategies for NSOs which focus specifically on one dimension or on both dimensions depending on the domestic sport environment of the NSOs. Therefore, if senior managers understand the environment of their sport organization, the development of a domestic sport strategy which proposes changes to both dimensions should not be considered a futile exercise. The strategy could very well be appropriate for the environment of the organization.

When we look at the differences between the NSOs' starting points and their planned strategies, it is obvious that their starting points were all different and the content of their strategic plans was also different. These differences between the starting points and the planned strategies of NSOs lead us to a discussion on the notion of strategic intent. Prahalad and Doz (1987, p. 52) define strategic intent as "long-term goals and aims rather than detailed plans." Strategic intent is important for organizations "to aim for goals for which one cannot plan" (p. 52). Intent deals with orientation rather than with specific planning. In essence, strategic intent focuses on the aspirations an organization has with respect to its future activities. As Hamel and Prahalad (1989, p. 64) explain, "strategic intent is more than simply unfettered ambition" ... it "envisions a desired leadership position and establishes the criterion the organization will use to chart its progress." For example, the strategic intent of senior managers of a sport organization may be to eventually become the number 1 country in the world in terms of athletic performances. Their strategic planning document would indirectly reflect this aspiration, however, it would be impossible for the organization to map out the specific details to achieve this intent, however, results leading to becoming "the number 1 country" will be used by the organization to determine its progress towards accomplishing the ultimate intent.

The purpose of formulating and promoting this intent is simple. As part of the organization's mission, the intent can help channel energies, efforts, and activities of personnel in accomplishing, over time, this intent. However, as a downfall, it is possible that organizational members' aspirations may be well beyond the capabilities of their organizations. As a result, the eventual implementation of such a strategy may be extremely challenging. In fact, once the strategic intent is identified, members of organizations can start to devise tactical moves which will help them to achieve the long term intent. As Prahalad and Doz (1987, p. 54) note in an

example, "the strategic intent of global dominance [of Japanese organizations] provided a basis for building on tactical and short-term advantages, deploying resources in such a way as to build "layers of competitive advantage."

For NSOs, a strategy based on administrators' aspirations may result in planned strategies which are very different than the starting points. Since strategic intent does not usually consider the immediate organizational environment (cf. Prahalad & Doz, 1987), it is possible that NSOs which have produced planned strategies which were very different than their starting point were in fact focusing on formalizing their strategic intent with respect to domestic sport. If this is the case, then NSOs would have not considered their domestic sport environment in the formulation cf their strategy. In other words, the strategies of these organizations would not be congruent with the domestic sport environment. The strategic plan may reflect a specific intent or aspiration rather than a concrete, short-term map of the activities aimed at improving domestic sport. Even though formalizing an organization's strategic intent may be important, authors such as Higgins and Vincze (1989), Hofer (1976), and Miller (1988) believe it is important for organizations to consider their environment before developing their strategy. As Miller (1988, p. 302) explains, there is a "need to match strategy to environment ..., whether the match means tailoring strategy to a set of external market parameters or actively seeking out niches that match a firm's existing thrust."

Conclusion

In assessing the difference between a NSO's starting point and their planned strategy, it was evident that, overall, organizations invested a lot more effort in the development of their program attractiveness than in the strengthening of their competitive position. This was a general phenomenon occurring in the majority of NSOs. As such, it was difficult, at times, to find alignment or match between organizations' starting points and their planned strategies. Support for the speculations presented in the first part of the paper was not always clear.

For example, enhancers' planned strategies seemed to reflect well in terms of their domestic sport environment. In addition, explorers have developed strategic plans which emphasize both dimensions of program attractiveness and competitive position. As such, their plans are representative of their environment at the start of the planning period.

Refiners chose to focus their plan on the level of program attractiveness instead of dealing with its competitive position while innovators dealt with both program attractiveness and competitive position. Emphasis on the level of program attractiveness was greater than the emphasis on the competitive position. Therefore, there was some degree of match between the environment and the plans of innovators.

More than two thirds of the sample intended to make changes to both dimensions. This type of strategy was deemed ambitious by certain researchers. However, other researchers believed organizations could be successful in pursuing a dual strategies which considered its environment. The lack of perfect fit between the domestic sport environment of NSOs and their strategic plans led us to a discussion on strategic intent. As Prahalad and Doz have suggested, the operationalization of a strategic direction is not always easily achieved.

The level of congruence, fit, or alignment between the starting points and the planned strategies were of particular interest in this paper. The next step in the study of strategy formulation within NSOs will be the assessment of how effective organizations were in achieving the objectives outlined in their strategic plans. It is one thing to investigate whether or not NSOs are considering their organizational circumstances before developing their domestic sport plans. It is another to attain the objectives set forth in the plans. The difference between the starting points and the planned strategies examined, in this paper, will be of interest when one studies the extent to which changes proposed in the plans have led to changes in the organizations during the plan implementation process. As such, this study was a preamble for further studies in organizational effectiveness and in strategy implementation. The following chapter specifically addresses this topic.

Table 4.1. Procedures Used to Determine Likert Scale Values

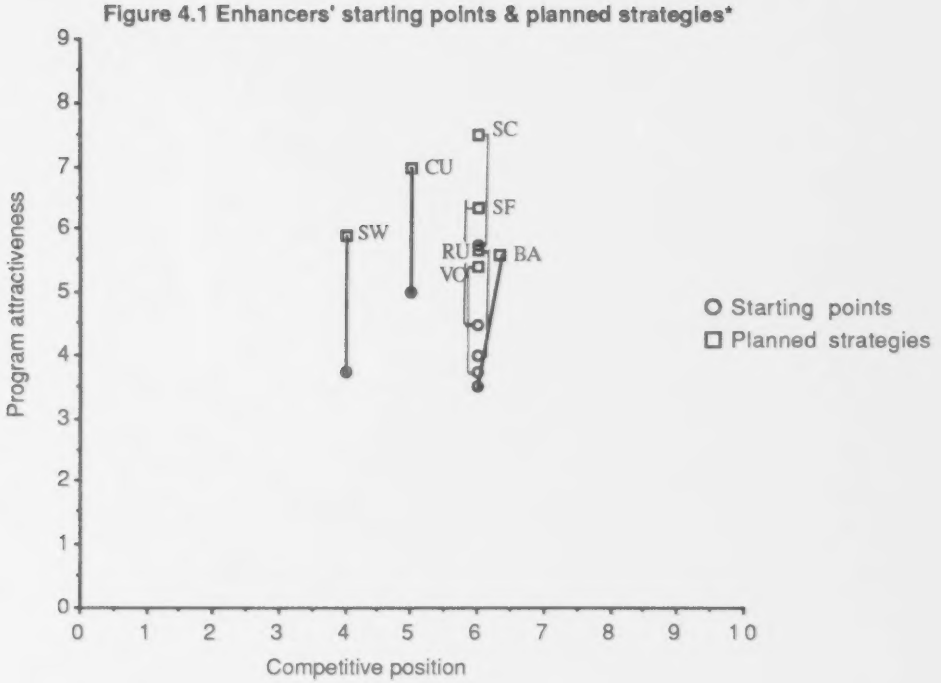
Dimension: program attractiveness

Range value	Range covered
1	scores < ($\bar{X}$-1/2sd)
2	($\bar{X}$-1/2sd) to ($\bar{X}$-1/4sd)
3	($\bar{X}$-1/4sd) to ($\bar{X}$)
4	($\bar{X}$) to ($\bar{X}$+1/4sd)
5	($\bar{X}$+1/4sd) to ($\bar{X}$+1/2sd)
6	($\bar{X}$+1/2sd) > scores

Dimension: competitive position

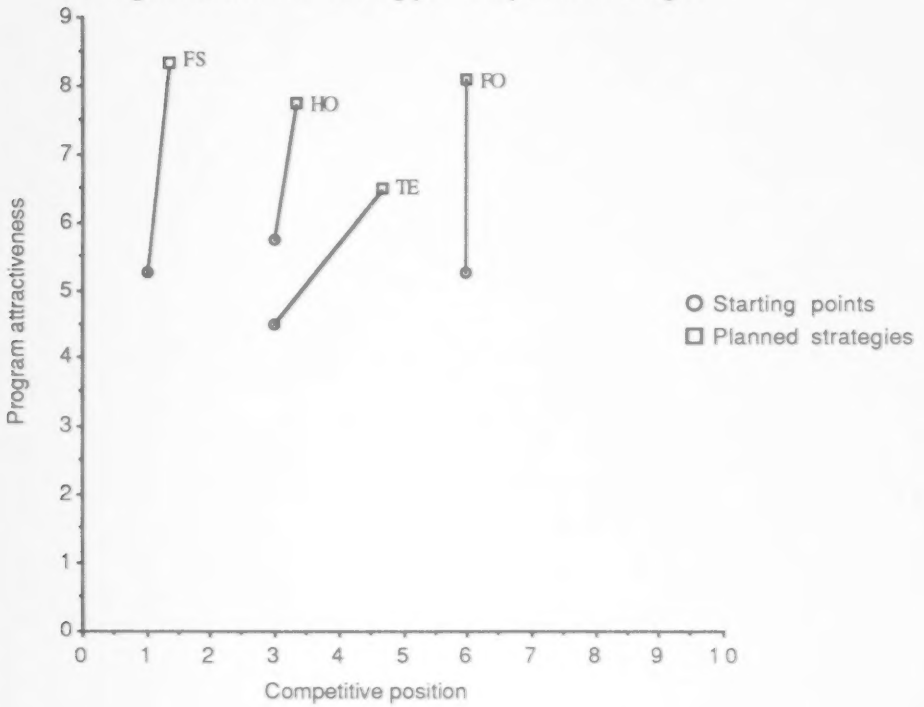
Range value	Range covered
1	($\bar{X}$+1/2sd) < scores
2	($\bar{X}$+1/4sd) to ($\bar{X}$+1/2sd)
3	($\bar{X}$) to ($\bar{X}$+1/4sd)
4	($\bar{X}$-1/4sd) to ($\bar{X}$)
5	($\bar{X}$-1/2sd) to ($\bar{X}$-1/4sd)
6	scores < ($\bar{X}$-1/2sd)

Figure 4.1 Enhancers' starting points & planned strategies*



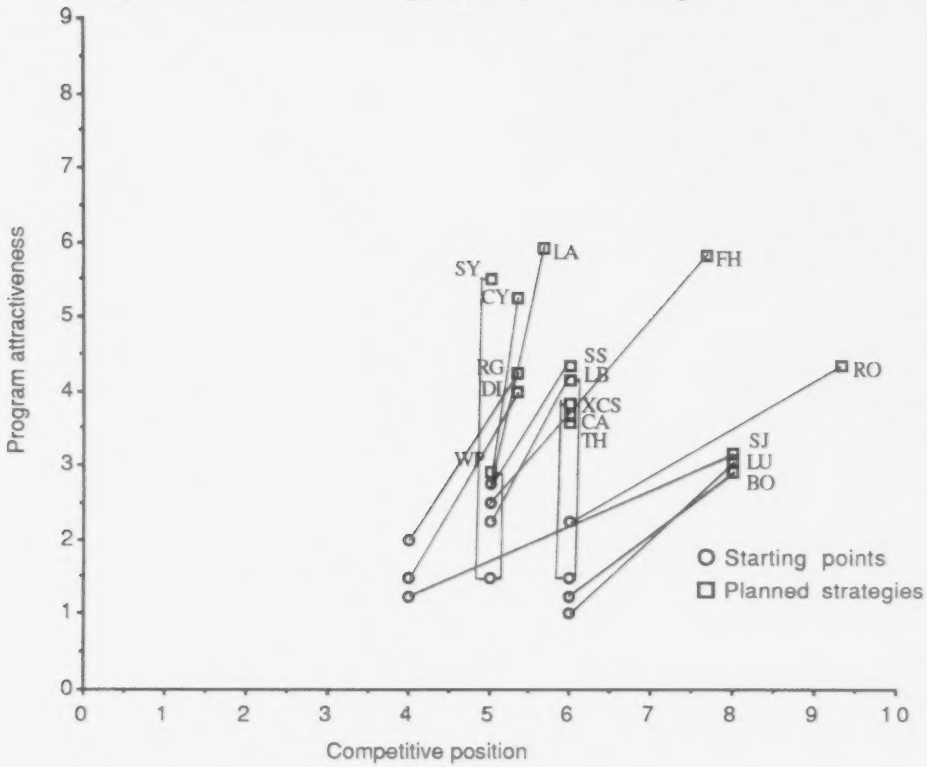
*The acronyms used in this graph are identified in Appendix A.

Figure 4.2 Refiners' starting points & planned strategies*



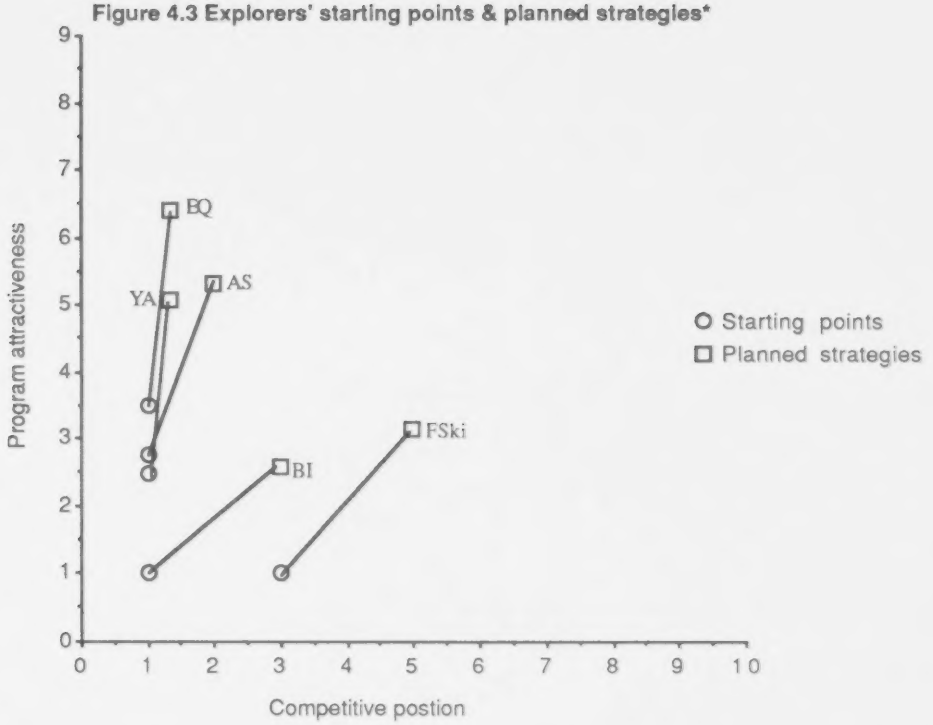
*The acronyms used in this graph are identified in Appendix A.

Figure 4.3 Innovators' starting points & planned strategies*



*The acronyms used in this graph are identified in Appendix A.

Figure 4.3 Explorers' starting points & planned strategies*



*The acronyms used in this graph are identified in Appendix A.

Table 4.2. Means and Standard Deviations of the Starting Point, the Planned Strategy, and the Differences between the Two Scores by Strategy Types along the Dimensions of Program Attractiveness and Competitive Position

Dimensions			Sample N=32	Enhancers N=7	Refiners N=4	Innovators N=16	Explorers N=5
Starting points	PA	$\bar{X}$	2.91	4.32	5.19	1.95	2.15
		SD	1.47	.81	.52	.59	1.11
	CP	$\bar{X}$	4.41	5.57	3.25	5.13	1.40
		SD	1.76	.79	2.06	.72	.89
Planned strategies	PA	$\bar{X}$	5.11	6.20	7.67	4.17	4.52
		SD	1.62	.79	.81	1.00	1.59
	CP	$\bar{X}$	5.31	5.62	3.83	6.42	2.53
		SD	1.96	.83	1.99	1.33	1.54
Differences between the starting point and the planned strategies	PA	$\bar{X}$	2.20 *	1.88 *	2.48***	2.22 *	2.37***
		SD	.58	.25	.56	.59	.82
	CP	$\bar{X}$	0.91 *	0.05	0.58	1.29 **	1.13****
		SD	1.07	.13	.74	1.23	.84

PA = program attractiveness, CP = competitive position.

* significant differences at .0001 level
** significant differences at .001 level
***significant differences at .01 level
****significant differences at .05 level

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CHAPTER 5
Strategy and Performance in Nonprofit Sport Organizations

The development of a strategic plan represents a formal intent to change. As a mechanism for change, the development of a strategy requires senior managers to evaluate the internal strengths and weaknesses of their organization and to assess the environment in which this organization operates. This process of evaluation is the starting point in the development of a strategy that will reflect what the organization's senior managers wish to achieve in a particular time period. In considering the internal and external environment, the senior managers formulate a strategy that becomes the map for action in the organization (cf. Handy, 1988). This map is, in essence, a formal tool to introduce changes within the organization.

Changes are proposed and carried out as a way to positively affect the performance of organizations. Even though changes do not always have the expected or desired impact, the intention of the senior managers who formulate strategies is that the resultant changes will lead to better performances (cf. Shrader, Taylor, & Dalton, 1984). Several authors have studied the link between strategic planning and performance (cf. Thomas, Litschert, & Ramaswamy, 1991; Venkatraman & Prescott, 1990; Werther, 1991; Zajac & Shortell, 1989) and as Galbraith and Schendel (1983, p. 153) explain, "by definition, strategies are intended to achieve results or goals set for the firm. The necessity for selecting a specific strategy lies in the desire that certain levels of performance will result."

Thus, the underlying reasons for developing a strategy are to increase levels of effectiveness and improve organizational performance. As outcomes of strategic planning, effectiveness and performance (cf. Hofer, 1976; Miles & Snow, 1978; Porter, 1980) are, is essence, the ultimate objective of the strategy process. Managers would not undertake the lengthy processes of strategy formulation and implementation unless they believed that the development of this strategy would lead to increased effectiveness for their organizations and thus, to enhanced performance.

Even though there have been a number of studies dealing with the strategy-effectiveness/performance relationship, very few of these studies have actually focused on organizations in the nonprofit sector. Several reasons have been presented to explain the scarcity of this type of research

within this institutional sphere (cf. Bryson, 1988; Higgins & Vincze, 1989; Powell & Friedkin, 1987). For example, in a discussion about the challenges faced by nonprofit organizations, Higgins and Vincze (1989, p. 339) noted that performance criteria in these types of organizations "are so hazy that, ... they are difficult to define. The profit motive seems to give business organizations an advantage in establishing strategic policies; the political factors with which nonprofit organizations must contend increase the complexity of the strategic process for them." Along the same lines, Montanari, Morgan, and Bracker (1990, p. 324) argued that "the nature of services provided by many not-for-profits ... makes it difficult to establish performance standards and specific goals." Kanter and Summers (1987, p. 154) explained that nonprofit organizations have

> defined themselves not around their financial returns but around their mission, or the services they offer. And services, of course, are notoriously intangible and difficult to measure. ... And 'doing good' is a matter of societal values about which there may be little or no consensus. It is this factor --the centrality of social values over financial values-- that complicates measurement [of performance] for nonprofit organizations.

In essence, the mission of nonprofit organizations dictates the methods of determining performance or effectiveness criteria. Even though the measures of performance for nonprofit organizations may be different than the ones for profit-oriented organizations (cf. Drucker, 1990; Handy, 1988; Kanter & Summers, 1987), organizational theorists advocate the use of multiple measures of performance to determine the level of effectiveness in these type of organizations (cf. Kanter & Summers, 1987; Robbins, 1990) as these tend to provide a more complete overview of performance.

This paper addresses issues of effectiveness and performance in nonprofit organizations by investigating how well these organizations are implementing their strategic plans. In other words, this study focuses on determining whether or not organizations are achieving the intentions that were outlined by senior managers in their plans. As a secondary purpose, this paper will examine the outcome of the strategy implementation process on the imperatives of these nonprofit organizations. Using nonprofit sport organizations as the sample, this paper tracks the achievement of these

organizations in bringing about changes in certain strategic imperatives during the implementation process of their strategic plans.

National sport organizations (NSOs) are nonprofit entities responsible for the development of amateur sport in Canada. There has been little research on strategy formulation and implementation in these types of organizations. There have, however, been several studies which have focused on measuring the impact of planning in NSOs, particularly in reference to the nature and process of change (cf. Kikulis, 1992; Kikulis, Slack, & Hinings, 1992; Slack & Hinings, 1987; 1992). These studies have allowed us to better understand why and how changes occurred in NSOs. Researchers concluded that the introduction of a long term planning program had resulted in structural changes within the organizations. As Kikulis et al. (1992, p. 362) noted,

> during the 1984-1988 period [the first planning period], there was a considerable increase in the number of professional and support staff employed by NSOs because of the needs and demands of the growth in their programs and services as a result of QPP [quadrennial planning program] implementation.

The intent of Kikulis' (1992), Kikulis et al.'s (1992), and Slack and Hinings' (1987; 1992) work was not to investigate whether or not organizations were achieving the objectives set out in their planning documents. The achievement of the organizations' performance criteria was not specifically considered.

As a complement to the research noted above and to the work in nonprofit organizations, this investigation is an important step in understanding the process of strategy implementation and, as well, in understanding to what extent has strategy been an important medium to increase the performance and the effectiveness of these organizations.

The investigation of the strategy-performance relationship in NSOs is an extension of the three previous chapters of this thesis. Chapters 2, 3, and 4 focused specifically on issues of strategy formulation. In pursuing the research project, the next step was to consider issues of strategy implementation in NSOs. Since the previous studies in the project dealt particularly with types of strategy NSOs were expected to exhibit, a next logical step was to address the implementation process of NSOs' strategic plans. As a

starting point in this study of strategy implementation, an investigation of the strategy-performance relationship will provide us with data on the outcomes of plans on the organizations' domestic sport situation.

Methods

In order to study the strategy-performance link in NSOs, it was necessary to collect data during different time periods about the implementation process of the strategic plans as well as about the content of these plans. Specifically, data were collected to document the domestic sport environment of NSOs prior to the implementation of the strategic plans, to document the strategic intentions of NSOs, as well as to document the domestic sport environment of NSOs during the implementation of the plans. For comparison purposes, these three sources of data collection required consistency in the variables or what Thibault, Slack, and Hinings (1993) termed strategic imperatives. These strategic imperatives consisted of fundability, size of client base, volunteer appeal, support group appeal, and total costs.

Sample

In line with the larger research project, this study used the same sample of NSOs as the earlier papers in this thesis. This sample of 32 NSOs was necessary since the purpose of this study is to assess the degree to which these NSOs had achieved what they set out to do in their strategic plans. Consistency in the sample allowed comparisons to be made between NSOs' strategic imperatives at the start of their planning process, the intentions they set out in their strategic plans, and the extent to which these intentions were realized.

Data Collection

In order to investigate the performance of NSOs' in realizing the objectives set out in their strategic plans, key imperatives identified in Thibault et al. (1993) were used as a guide to collect data. The imperatives (fundability, size of client base, volunteer appeal, support group appeal, and total costs) were examined in each of the NSOs included in the sample.

In order to fulfill the objectives of this paper, a total of three complete banks of data were collected on these key imperatives. The first wave of data (T1, 1988-89) reflected the point at which NSOs started their strategic planning process. Data about this starting point were collected initially to fulfill the objectives of a previous paper (Chapter 3).

The second wave of data (Tplan) was also collected to fulfill the objectives of another study in the research project (see Chapter 4). Using the same imperatives as in T1, data were collected about the strategic intentions developed by the senior managers of NSOs in regard to their domestic sport activities. For the most part, the content of the plans focussed on the key strategic imperatives identified in the framework (see Chapter 2). In essence, this data bank represented the changes proposed by the senior managers of NSOs. This data set together with the first set of data made it possible to assess NSOs' starting point with respect to their domestic sport strategic imperatives relative to their desired end point.

The last wave of data (T2, 1991) collected specifically for this paper dealt with the extent to which NSOs have changed during the first part of their plan implementation process. This wave of data collection also provided data about what organizations had accomplished with respect to their domestic sport activities during their planning period. For the purposes of this paper, all three waves of data collection (T1, Tplan, and T2) were used.

Data collection for T2 followed the same process as for T1. In essence, data about fundability and size of client base were obtained from Sport Canada, a federal government directorate. It is important to note that, in general, the domestic sport rank attributed to NSOs at the start of the planning period remains constant over the course of the four year planning period. Therefore, there are no changes to this imperative between T1 and T2. This is a limitation with respect to the measurement of change between T1 and T2. Data about volunteer appeal were collected from the Coaching Association of Canada. Given the fact that volnteer appeal represents the number of certified coaches and this imperative is calculated in a cumulative fashion, NSOs will not experience a decrease in the number of coaches between T1 and T2. For the imperative, support group appeal, data about the sport coverage announced in The TV Times of the same three newspapers consulted for T1 data were collected. The three newspapers were The Halifax Chronicle Herald (eastern Canada), The Ottawa Citizen (central Canada), and The Calgary Herald (western Canada). Assessing this coverage consisted of selecting one random week for each month of one year and calculating the frequency of appearances on television of all the sports included in the sample. More details about the data collection process of these four imperatives are provided in Chapter 3. These four imperatives, fundability,

size of client base, volunteer appeal, and support group appeal, were grouped together to form the dimension of program attractiveness.

With respect to data collection for the combined imperatives of equipment costs and affiliation fees, some difficulties were encountered. Using the data collected in T1 as the baseline, administrators of NSOs or provincial sport organizations were asked whether or not costs of participating in the sports had remained constant, decreased, or increased since their domestic sport strategy formulation process. There was overall agreement among respondents that prices to take part in the sports had increased over the course of two years. It was, however, difficult for these respondents to determine the extent of these increases. Respondents felt that the increases were largely the result of the inflation rate in Canada. These sport administrators agreed that prices of both equipment and affiliation fees had increased, however, in qualifying these changes, it was difficult to assess the real value of the change with very little information about the rate of inflation from the T1 period to the T2 period.

Given these observations, two documents produced by Statistics Canada were consulted. These were the Consumer Prices and Price Indexes (Statistics Canada, 1992a) and Leisure and Personal Services (Statistics Canada, 1990, 1992b). These documents were consulted in order to determine the rate of inflation affecting the prices of equipment and services in the sport/recreation domain.

The Consumer Prices and Price Indexes (Statistics Canada, 1992a) presents data on sport and recreation equipment and services in a major category entitled "Recreation, Reading and Education". This category is further broken down in sub-categories such as recreation, cameras, home entertainment, movies, sport events, and television sets to represent changes in the consumer price index over a period of four years (1988-1991). The Leisure and Personal Services (Statistics Canada, 1990, 1992b) document includes information and data about the revenue and expenditures of leisure and sport businesses such as curling clubs, golf courses, boat rentals and marinas, horse race track, and skiing facilities. Collectively, these two documents support the fact that increases in both expenditures in sport/recreation businesses and in the prices of sport/recreation equipment and services have occurred during the years of 1988, 1989, 1990, and 1991.

In an analysis of the consumer prices indexes for the years of 1988, 1989, 1990, and 1991, Statistics Canada (1992a) reported consistent increases in the prices index for what they consider "recreation, recreation equipment and services, sporting and athletic equipment, and cultural and recreation services" (p. 37). Using 1986 as the baseline year, Statistics Canada noted increases in these indexes ranging from 18.2% to 38.3% over the course of four years (1988-1991, including 1991). With the data found in the Consumer Prices and Price Indexes, we were able to calculate the percentage increase in the inflationary rate for equipment and services in the field of sport/recreation. By considering 1988 as the baseline, the increase (in percentage) between 1988 (T1) and 1991 (T2) was calculated for Statistics Canada's (1992a) sub-category of "recreation". Including both services (affiliation fees) and equipment (equipment costs), this sub-category was considered appropriate as a choice to determine a constant which would be multiplied to the original equipment costs and affiliation fees. This constant was determined at 14.5% (which represents the difference between 1988 and 1990's inflation's rate) (cf. Statistics Canada, 1992a). This value was then multiplied with the total costs of each NSO in the sample. The result of this calculation provided a measure of the increase in the total costs of participation in these sports.

In order to compare the imperatives before plan implementation and the ones during plan implementation, relative to the content of the strategic plans, the data were standardized. The use of raw scores in T1 and T2 and scaled data for Tplan necessitated the standardization of all three data banks. The process of standardization consisted of a three-step approach. First, data in T1 was standardized to a mean of 50 and a standard deviation of 15. The second step consisted of standardizing the data in T2 and Tplan banks according to T1's standardization since T1 was considered the baseline. The third step dealt with Tplan data. Following the logic presented in Chapter 4, the standardized data obtained for Tplan were added to the T1 standardized data. Since T1 was the baseline and NSOs were proposing positive changes to their domestic sport activities, adding Tplan data to T1's data was considered reflective of the changes senior managers were intending to make in their organizations.

Once the data collection and transformation processes were completed, it was possible to compare planned change with actual change. In doing so,

we were able to determine how NSOs are doing with respect to achieving their intended strategies. In essence, in considering the planning profiles of NSOs, we were able to compare NSOs' intended achievements with their realized achievements.

Results and Discussion

In assessing the outcomes of NSOs' strategic plans, it was possible to further understand how organizations' strategic imperatives have changed during their process of implementing their domestic sport plans. Relative to the content of the strategic plans, (see Tables 5.1, 5.2, & 5.3), NSOs appear to have some difficulties in implementing their domestic sport strategies. The comparison of the raw data (in Tables 5.1 and 5.2) and the standardized data (in Table 5.3) along the strategic imperatives at T1 with the ones at T2 show little change. Relative to the content of the plans, the implementation process for organizations, in general, has not, so far, been exactly as planned. The first part of the results and discussion section focuses on the strategic imperatives identified to assess change between T1 and T2. These imperatives are grouped under their respective dimensions, program attractiveness and competitive position. The second part of the results addresses the changes which occurred between the two time periods according to strategic types. A general discussion of these results follows after this.

Insert Tables 5.1, 5.2, and 5.3 here

Program attractiveness

Before we consider the changes which occurred in the data of each individual imperative, it is important to explain the lack of change which occurred in the imperative fundability. NSOs may have intended, in their strategic plans, to improve their relationship with Sport Canada, or to improve the funding they receive by getting a better domestic sport rank from Sport Canada (see Table 5.3). However, because of Sport Canada's Sport Recognition System, any effort to change the rank would not be visible until the end of the plan implementation period. In other words, the lack of evidence in the change for domestic sport rank, at this point in time, would not necessarily be reflective of what the organizations have achieved. Sport Canada does not modify the rank it gives to NSOs until the end of the quadrennial period.

The imperative, size of client base, was operationalized as the number of members registered in the NSOs. For this imperative, it is important to note that 16 NSOs (53.13% of the sample) have experienced increases in membership. Six organizations have shown no change to their membership while 10 NSOs have experienced a decline in the number of members. In fact, overall, the size of client base is the only imperative which actually shows a decrease between the two time periods, T1 and T2 (see Tables 5.1 and 5.3). This decrease is important to consider since according to the domestic sport strategic plans produced by NSOs, each organization intended to increase their membership. By experiencing a decline in membership, organizations have less funds (from membership or competition fees), they have less individuals to deal with for programming purposes, and they face a potential reduction in their rank from the federal government (thus, more possibilities of adecrease in funding). The decline in membership can also result in limited opportunities for support (i.e., financial) from corporate sponsorship. In fact, it is unusual for organizations which consciously and voluntarily undertake the process of domestic sport planning to experience a decrease in the number of registered members.

The imperative volunteer appeal was operationalized as the number of trained coaches within the NSOs. This imperative shows an increase between the two time periods. In fact, this difference is significant at the .01 level (see Tables 5.1 and 5.3). Overall, NSOs have experienced an increase in the number of trained coaches. The increase in this imperative is not unusual given the way the Coaching Association of Canada calculates its certified coaches. The data obtained from this organization represents the total of coaches who have ever been certified at the various levels. Consequently, numbers from years to years will either remain constant (if no coaches have been certified during the year) or increase (if coaches have been certified during the year). Unlike the imperative number of members, no decreases would be visible in the data between T1 and T2[1].

The imperative, support group appeal, consisted of the media visibility of the sport. For this imperative, the difference between T1 and T2 is

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[1] There are two exceptions to this situation, canoe and equestrian. When the Coaching Association of Canada was asked about this anomaly, they responded that errors had probably slipped into the data bank used for T1 and these were later corrected prior to the collection of T2.

statistically significant (p=.0221). As presented in Tables 5.1 and 5.3, overall NSOs have increase their media visibility. Only 4 sports have maintained the same degree of media visibility in T2 as they had in T1 while 6 sports experienced a decrease. Therefore, 68.75% of the sample have actually been able to increase the exposure they have received in the television media between 1988 and 1991.

Overall, with respect to the imperatives under the dimension of program attractiveness, NSOs were expected to maintain and/or, better yet, increase or improve their strategic imperatives (i.e., improve their fundability, increase the size of their client base, their volunteer appeal, and their support group appeal). As it is apparent from the data (see Tables 5.1 and 5.3), this was not always the case. The organizational changes which occurred during the period of T1 and T2 has not necessarily been as expected. In fact, the imperative, size of client base, is probably the biggest surprise as 31.25% of the NSOs in the sample have experienced a decrease in membership. Of all imperatives identified in the research project (see Chapters 2, 3, and 4), size of client base is turning out to be an important element of domestic sport. This is clear from the principal components analysis carried out in Chapter 3 as well as from the attention sport administrators devoted to this imperative in their organization's strategic plans (see Table 5.3). Intuitively, it seems unusual for NSOs to undertake the process of strategic planning for their domestic sport activities and experience a decrease in the imperative which is, in essence, a major part of the foundation for domestic sport. In the strategic planning documents of NSOs, attention had been devoted to the improvement of the program attractiveness of domestic sport. Part of this attention focused particularly on servicing current membership and increasing the number of members involved in the sport in the upcoming years. For some NSOs, these objectives were not achieved, at least not in the preliminary period of their plan implementation process. Given that some of these NSOs have experienced a reduction in the number of registered members between T1 and T2, they face an important challenge in the time period left in the strategy implementation process if they are to fully realize the intentions outlined in their plans.

Competitive position

The imperatives under the dimension of competitive position originally included membership fees and affiliation costs. As explained in Chapter 3, these two variables were eventually combined to form a new variable, total costs. The changes reported between the data prior to the plan (T1) and the data during the implementation process (T2) were proportionate across the sample of organizations. The differences between NSOs' starting point and their mid-point in the implementation process were attributed to the inflation rate during the time period. NSOs' senior managers believed that changes in costs concurred with the general increases in the cost of living.

Given the framework, total costs, was the only imperative where a decrease was expected during the implementation of NSOs' strategic plans. However, when examining the results, this was not the case in any of the NSOs included in the sample. The lack of a decrease in total costs was not surprising given the minimal attention devoted to this imperative in the planning document. Based on results presented in Chapter 4, 11 organizations had chosen not to address the costs issue of their sport. Even though 21 organizations may have planned to make changes to this imperative in order to make their sport more accessible to their clientele, NSOs appear to have no real control over the prices of equipment or prices of membership fees. The nature of the sports dictates the prices (e.g., the equipment and facility(ies) required to practice the sport, maintenance of facility(ies), insurance costs, and coaches' and/or instructors' salaries) and administrators of NSOs seem to have very little impact in reducing the financial barriers of their sport.

If we collectively consider all four strategic types, the dimension of competitive position is an issue for all organizations. NSOs have not strengthened their competitive position. As a result, the financial entry barriers for participants hoping to join sports in the explorer and the refiner strategic types are greater than they were prior to plan implementation. Enhancers and innovators have also experienced increases in their entry barriers during their plan implementation process. However, relative to NSOs in the other two strategic types, enhancers and innovators still have the least expensive sports in the sample.

Even though, the dimension competitive position as a measure of NSOs' entry barriers is different from Porter's (1980) interpretation, the plans produced by 21 organizations proposed increasing the accessibility of their sport. For Porter, organizations have some degree of control when it comes to entry barriers. Porter (1980, p. 132) claims that "entry barriers depend on the particular strategic group that the entrant [organization] seeks to join." In other words, entrants or organizations can choose which strategic group they wish to adopt and, hence, can choose, to some extent, the entry barriers they encounter. The element of choice is not evident for NSOs' competitive position.

NSOs in general, regardless of their strategic type, do not appear to have control over changes to the costs associated with the practice of their sport. This is evident in a number of situation. First, in the process of data collection, few NSOs could estimate the equipment costs and the affiliation fees of their sport. Even though senior managers of NSOs intended to improve the financial accessibility of their sport, the results indicate an overall increase in prices of equipment and in registration fees for joining a club or league.

Realistically, with respect to performance issues, an increase or a decrease in the imperative total costs would probably not be the results of efforts on the part of NSOs. National sport organizations may be too far removed from the clientele taking part in the domestic sport activities and thus, from the various networks or stakeholders (such as provincial sport organizations, local sport organizations, clubs, teams, municipal governments) in place which provide access to domestic sport. This "distance" complicates the process of reducing the financial barriers associated with the practice of their sports.

The barriers to entry for a sport organization is determined by the nature of the sport. Unless the sport/activity changes, the entry barriers will always be a characteristic of the organization. These barriers must be taken into account in the strategy formulation process, even though they cannot be easily modified, altered, or changed at the wish of these organizations. For example, a horse will always be an important requirement for all disciplines of equestrian; as well, specialized ski facilities will be necessary for freestyle skiers and ski jumpers. NSOs may choose to donate equipment to clubs or modify the sport for beginner participants in order to lower the financial

commitment involved. However, these initiatives are not always possible for NSOs. Furthermore, they do not eliminate other financial commitments such as facilities, insurance costs, salaries of coaches and officials, and training equipment.

Overall, the changes which occurred between T1 and T2 were not necessarily expected according to the strategic plans produced by NSOs. In other words, planned changes and actual changes with respect to NSOs' domestic sport activities do not match. The following section outlines the results by strategic types. These types were theoretically presented in Chapter 2 and empirically confirmed in Chapter 3. The results in this section are explained in relation to NSOs' starting points (T1) and, as well, in relation to the content of their strategic plans.

Enhancers

With respect to the differences between T1 and T2, enhancers experienced an important decrease in the number of members (see Table 5.2). From the seven organizations in this type, four have experienced a decrease in their membership, one showed no change, and two NSOs have increased the number of members. For all other imperatives, increases were noted. The increase in the number of coaches was large, relative to organizations in the other strategic types, while more modest differences were noted between T1 and T2 for media visibility and total costs. Of these differences, two were statistically significant, number of coaches and total costs (see Table 5.4). When considering the content of the enhancers' strategic plans (see Table 5.4) and the changes which have occurred at T2, it is clear that enhancers are moving in the right direction when it comes to the imperatives number of coaches and, to a certain extent, media visibility.

With respect to membership, enhancers' plans to increase the number of members in their activities are not being fruitful. That is, during the strategy implementation process (T2), enhancers are not moving in the direction they proposed in their plans. As well, even though NSOs did not devote considerable time or space to the financial accessibility of their sport (total costs) in their planning document, the changes which did occur during plan implementation were towards an increase in costs, not towards the expected decrease.

Insert Table 5.4 here

Changes between T1 and T2 in the number of coaches and in the media visibility are not congruent with the decrease in the number of members. Enhancers started their strategic planning process under favourable circumstances (high program attractiveness and strong competitive position), however, they experienced a decrease in the number of members participating in their sports while they increased their numbers of trained coaches and their media visibility.

Refiners

As seen in Table 5.2, refiners have experienced varying degrees of increase in the imperatives, size of client base, volunteer appeal, support group appeal, and total costs. Organizations in this strategic type have gained the most, relative to organizations in other strategic type, in terms of the number of coaches certified since the beginning of the planning period. As well, they have also experienced the highest gain in the television visibility of the sport. From these results, NSOs in this strategic type are showing some evidence of accomplishments in implementing their domestic sport plans as the organizations seem to be moving in the desired direction (excluding the imperative total costs). However, as is visible from Table 5.5, no significant differences were found between the means of the T1 data and the means of the T2 data.

Insert Table 5.5 here

Furthermore, given the emphasis that refiners have put on the imperative size of client base in their strategic plans, the slight increase in the mean of this imperative between T1 and T2 does not appear to be reflective of the organizations' intentions. With the increase in the number of coaches between T1 and T2, refiners seem to be on track towards achieving what they proposed in their plans. Specifically, refiners devoted a great deal of attention to improving their coaching. As well, for media visibility, refiners are moving in the intended direction. As for total costs, refiners were no different than the organizations in the other strategic types; the costs associated with practicing their sports increased during the strategy

implementation process, thus weakening even further their competitive position.

Innovators

Overall, NSOs from the innovators' strategic type followed similar patterns to enhancers (see Table 5.2). That is, the differences between T1 and T2 for the imperative size of client base indicate a decrease while the remaining three imperatives (volunteer appeal, support group appeal, and total costs) experienced increases over the time period investigated. Even if, relative to NSOs in other strategic types, innovators show the lowest increase in media visibility and, as well, the lowest increase in the number of coaches, it is important to note that, when comparing the data in T1 and the data in T2, both of these increases are significantly different (see Table 5.6). In addition to these two imperatives, the data in T1 for total costs is also significantly different than the T2 data. Therefore, for innovators, number of coaches, media visibility, and total costs show statistically significant increases during the strategy implementation process.

Insert Table 5.6 here

With respect to the congruency between innovators' plan content and the change occurring during the strategy implementation process (see Table 5.6), NSOs are not necessarily on track with respect to the number of members or the total costs. However, for the imperatives number of coaches and media visibility, innovators appear to be heading in the right direction. This leads us to a discussion about inconsistencies in the results. As was the case for enhancers, inconsistencies are evident as innovators, overall, improve their visibility and their support system (i.e., number of coaches) to accommodate less members than they had prior to the implementation of their strategy. Unlike their counterparts in the strategic type of enhancer, innovators' starting point with respect to domestic sport was characterized by a low program attractiveness. In other words, innovators could not afford to lose any members.

Explorers

As shown in Table 5.2, explorers experienced the greatest growth in membership. This is an interesting change for organizations in this strategic type as they had the least amount of members in T1 (see Chapter 3).

Unfortunately, their total costs imperative also increased. This might put enhancers in a difficult and challenging situation as they attempt to maintain and even further increase their membership. From our examination of the results in Table 5.7, explorers seem to be well on their way to reach most of the objectives they set out in their strategic plans. The exception to this trend is the imperative total costs. Like all organizations in the other strategic types, explorers' plans focused on improving the financial accessibility of the sports (i.e., decreasing costs associated with the sports), not on increasing the costs of practicing the sports. It is important to point out that total cost was the only imperative that was significantly different between T1 and T2.

Insert Table 5.7 here

Excluding total costs, explorers are moving in the desired direction with respect to changes to their domestic sport activities. Given the initial challenging situation of NSOs in this type, before they undertook domestic sport planning, explorers moved towards improving the level of program attractiveness of their sport.

General discussion

It is difficult to deal with the concept of organizational performance without referring to the process of change occurring in NSOs during their strategy implementation process. The changes visible along the imperatives between T1 and T2 relative to the stated intentions of NSOs (Tplan) provide us with data about both performance and change. In other words, the changes occurring in NSOs' domestic sport imperatives is evidence of the organizations' performance in the process of their strategy implementation. The circumstances under which NSOs undertook the development of their domestic sport strategy were ideal to begin investigating the issue of performance. As Mintzberg (1988, p. 14) explained, it is important "to understand the strategies organizations have really achieved, not just the ones they intend to pursue." As he pointed out (1988, p. 15), it is quite possible that "plans may go unrealized."

The introduction of the federal government long term planning program provided what Hinings and Greenwood (1988) have called precipitating pressures on NSOs to initiate changes to their domestic sport activities. Thirty two NSOs responded to Sport Canada's proposed long term

planning program by developing a number of activities focussing specifically on improving their domestic sport system and generally bettering their sport delivery system. The intent to change as evident in NSOs' strategic plans (Tplan) has not necessarily materialized into concrete organizational changes in some of these organizations. In other organizations, the changes which occurred during plan implementation were not necessarily desired changes. The results of a comparison of the data collected before the strategy implementation process (T1) and the data collected during the implementation process (T2) suggests that NSOs are having some difficulties in implementing their domestic sport strategy. It is, however, important to remember that T2 data is interim data. Consequently, it is still possible that NSOs will meet their intentions in the latter part of their strategy implementation.

In a study on strategic change, Hinings and Greenwood (1988, p. 200) noted that "there was a high pace of change in the first period, a much lower one in the second period and another high pace in the third period." Kikulis' (1992) and Slack and Hinings' (1992) research findings about changes in NSOs supported Hinings and Greenwood's observations about the pace of change, particularly with reference to the first and second periods. It is important to note that, if NSOs are to successfully implement their plans, they will have to invest considerable time and effort in carrying out the actions that have been outlined in their plans. Based on Hinings and Greenwood's conclusions about strategic change, one would have serious reservations about NSOs' chances for complete success in implementing their plans. If change has to occur early on in the process, then one should question how NSOs will ever fully achieve the strategic implementation of their domestic sport plans.

National sport organizations do not have the same intentions with respect to domestic sport, they do not experience change to the same extent, in the same time period which leads us to a discussion about organizational capabilities. As we pursue the issue of organizational performance in nonprofit sport organizations, it would be beneficial to investigate the differing capabilities or characteristics which hinder and/or help organizations in the successful implementation of their strategy. For example, enabling factors such as the organization's capacity (e.g., expertise, leadership) or power dependences (e.g., domination, interests, privileged

organizational actors) "can facilitate or impede the scale of change" (Hinings & Greenwood, 1988, p. 44).

A number of explanations could be put forward to explain the lack of concrete changes visible in some of the strategic imperatives during the domestic sport plan implementation process. First, NSOs were initially (in 1983 or 1984) expected to plan, on a long term basis, for their high performance programs. The development of a long term plan was directly related to funding allocated by the federal government in order for NSOs to "produce" the best possible results by Canadian athletes at the Olympic Games. Given the mandatory nature of this planning program[2] and the exclusive focus on high performance sport, administrators of NSOs began, at the end of the planning period, to question the focus on high performance sport. As a result, Sport Canada expanded the planning program to include domestic sport. Furthermore, greater flexibility was given to NSOs with respect to their involvement in the planning program. From the comments of administrators (cf. Thibault, 1987), one could speculate that the development of domestic sport plans was directly related to the NSOs' high performance sport intentions. In other words, proposals to improve domestic sport are possibly made in order to increase the pool of potential athletes for high performance sport. Consequently, even though domestic sport plans had explicit statements of intent about improving domestic sport planning, efforts on the part of administrators were possibly directed at high performance sport. As a result, domestic sport planning could have been perceived as an important exercise to get on board with Sport Canada's intentions and hence, in a more favourable position with regards to funding. However, on a practical level, organizations may have been more interested in pursuing their high performance sport as a number of other "reinforcements" for NSOs have, in the past, been linked to their involvement in high performance sport (e.g., medals, government support, corporate sponsorship support, media coverage). The conclusions drawn by Mintzberg and Waters (1984) may explain NSOs' focus on high performance sport. As the authors point out,

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[2] In order to have access to funding, NSOs had to produce long term plans for their high performance sport programs (cf. Macintosh, Bedecki, & Franks,1987; Hinings & Slack, 1987).

> our research has taught us one very clear lesson: that no organization can deny its history in trying to formulate its strategies. Today's strategies --and tomorrow's-- no matter how much they seek to alter direction, are very much rooted in yesterday's.

Second, NSOs are subjected to pressures to obtain medal winning performances at major international games (e.g., Olympic Games, Commonwealth Games, Pan American Games, World Universiade Games). These pressures originate from a number of sources, mostly from the federal government, the media, and the corporate sponsors. Specifically, NSOs would feel a high degree of pressures from Sport Canada since it still focuses largely on measures of athletic performances to allocate its funding (Sport Canada, 1989). Since a large number of NSOs are financially dependent on the resources provided by the federal government (cf. Dubin, 1990; Macintosh & Whitson, 1990), the relationship between the NSOs and the government tends to be one of dependency where NSOs adopt actions and behaviours which are in line with the wishes of the government.

As well, NSOs may perceive pressures from the media and the corporate sponsors. Corporations often financially support sport organizations for reasons such as the sport caters to individuals who may be targeted as a market by the corporations, or the sport is popular and corporations wish to use this popularity to promote their products or services. As such, it is often important for sport organizations to secure media coverage of their sport events (competitions, tournaments, festivals). However, since media is selective about which sport receives coverage, some NSOs must lobby to television networks in an attempt to be covered. Popular sports among the public (e.g., alpine ski, figure skating) usually gets media exposure and as a result, they are appealing medium for marketing purposes from a corporation's point of view. In turn, with the sponsorship packages organizations receives from these corporations, they are in a position to further develop their sports and attract more members. Meanwhile, sports which do not benefit from media exposure may experience difficulty in securing sponsorship from the corporate sector; then, they have less funds to deal with to develop their sport. In addition to the media-corporate sponsors link, it is important to note that media appears to be more inclined to cover "successful" amateur sports (i.e., sports which have champions, medal

winning performances) than unsuccessful sports. As a result, the "production" of elite athletes once again takes on importance for the NSOs. As a result of these pressures, the plans produced by NSOs may have included well meaning intentions about domestic sport activities however, with respect to the implementation of the plans, NSOs may be more sensitive to pressures from their environment than to statements of intent in their planning document.

Furthermore, it is possible that NSOs' intentions were greater than their capabilities. As such, the achievement of these intentions becomes problematic The issue is one of realistic plans versus realized plans. From the differences which occurred between T1 and T2 and the data reflecting the plans (Tplan) (see Table 5.3), NSOs, for the most part, have planned to do too much. Expectations were high when domestic sport strategies were formulated, however, for the implementation process, these high expectations were difficult to meet.

Certainly, the institutional pressures to plan for "great things" (e.g., more programs, more members, more and better trained coaches) were present. NSOs responded to these pressures by planning beyond their capabilities. As Meyer and Rowan (1977, p. 341) explain, organizations in general "reflect the myths of their institutional environments instead of the demands of their work activities." In other words, institutional pressures may lead organizations to subject themselves to rituals, myths, or ceremonies which are not necessarily appropriate. As such, organizations conform to their institutional context. For NSOs, these rituals may include the type of strategic imperatives considered in the planning exercise; it may also include the direction, the extent, and the amount of changes proposed. Judging from the Tplan data presented in Table 5.3, there is definite evidence that NSOs were not "practical" in their strategy formulation process. It is already extemely difficult for senior managers to achieve strategies exactly as intended let alone achieve strategies which are beyond their organizations' capabilities.

Since the strongest institutional pressures NSOs face are directly tied to their high performance programs, senior managers' commitment to change in their organizations' domestic sport programs may not be lacking. It would seem logical that the commitment as well as the values, the behaviours, and the actions of senior managers would focus on the high performance sport programs of their organizations rather than on the domestic sport programs

since NSOs benefit from high performance success from their environment. As such, one could argue that the development of domestic sport strategic plans was undertaken by NSOs in order to enhance their premier goal of high performance sport. The institutional pressures to enhance domestic sport are not significant enough to warrant actual change in the organizations. Without "rewards" (i.e., financial resources from the government and from corporate sponsors, media visibility), administrators of NSOs are not compelled to undertake significant changes to domestic sport.

As Miller's (1993) argues, successful organizations become more simple over time. In essence, he believes that these organizations "come to focus on more narrowly on a single theme or activity, or issue at the expense of all others" (p. 116). In other words, successful organizations do not undertake new projects. Instead, they focus on their successes and often become myopic in their strategies For NSOs, one could argue that this single theme is high performance sport. As outlined in the previous paragraphs, there are certainly pressures for NSOs to invest greater importance in their high performance sport programs than in other projects or programs (i.e., domestic sport). Miller (1993, p. 118) believes that as organizations become successful, "primary goals, values, and strategies will be pursued more aggressively, whereas secondary ones will be increasingly neglected." He further elaborates by stating that

> the growing simplicity of a business strategy may be reflected by an increasingly skewed allocation of resources; for example, a constantly growing percentage of resources going to the dominant activity, function, or tactic and a persistently declining proportion going to all others. (1993, p. 133)

Even though domestic sport is an independently viable activity for NSOs, the nature of changes which occurred during the strategy implementation process suggests that organizations have, so far, not accomplished what they intended to do, particularly with respect to the membership (see Tables 5.1 and 5.3). The decrease in the number of members as opposed to the expected increase raises questions about the organizational commitment or capabilities (cf. Hinings & Greenwood, 1988) towards changes in domestic sport programs.

In essence, changes occurring in NSOs during the implementation process do not correspond to the intentions presented in the strategic plans. As Dess and Davis (1984) and Mintzberg (1978) have found in their research,

the strategies realized in organizations are not always the planned strategies. Dess and Davis (1984, p. 485) concluded, following their work and Mintzberg's findings, that

> an observed discrepancy between intentions and realized strategy may arise from the inability of the firm to translate its intended strategies into actions because of unpredictable environmental change, a lack of appropriate implementational capabilities, or unrealistic expectations ... . Singly or in combination, these factors may result in an emergent strategy that is observed to be different from the intended strategy.

In fact, in a subsequent study, Mintzberg and a colleague, Waters (1985) found that pure intended or planned strategies were rarely fully realized as they require the achievement of three conditions: intentions must be precise and detailed; they must be common to the majority of individuals within the organization; and, "these collective intentions must have been realized exactly as intended, which means that no external force (market, technological, political, etc.) could have interfered with them" (Mintzberg & Waters, 1985, p. 258).

Dess and Davis (1984), Mintzberg (1978), and Mintzberg and Waters (1985) claim that planned strategies are often subjected to internal and external forces and consequently, these strategies are modified, adjusted, or abandoned while organizations deal with these pressures. Strategies which do not specifically correspond to the formal plans developed by these organizations emerge. Planned strategies are rarely immune to forces and pressures stemming from the environment. In other words, the development of a strategic plan will not prevent organizations from being subjected to environmental pressures. For NSOs, the realized strategies so far during the implementation process are not congruent with the planned strategies. In fact, extrapolating from the work of researchers such as Hinings and Greenwood (1988), Mintzberg and Waters (1985), and Dess and Davis (1984), it will be very difficult for NSOs to completely achieve their planned strategies.

Conclusion

Although the assessment of changes in NSOs between T1 and T2 does not accurately reflect what the organizations planned to do for their domestic

sport activities, it does show trends, in both the extent and the direction of the changes occurring in domestic sport. From the results of this study, it is clear that NSOs have made minimal progress towards the implementation of their domestic sport plan. Changes in the imperatives between two time periods (T1 and T2) are, for the most part, not considerable particularly when the results are examined along strategic types.

In this paper, the criteria or imperatives used to assess outcomes of strategy implementation were by no means exhaustive. However, the comparison of NSOs' plans with the changes occurring in the five imperatives provided performance indicators about the degree of success experienced by these organizations during plan implementation. The results of the study show that NSOs' planned strategies are not being fully realized as intended in the first phase of the implementation process. Given the precedence in the literature (cf. Dess & Davis, 1984; Mintzberg, 1978; Mintzberg & Waters, 1985), these results should not be surprising, however, it does prompt us to question the underlying reasons why some organizations choose to undertake the formulation and implementation of domestic sport strategies.

Table 5.1. Means & Standard Deviations of T1, T2, and Differences Between T1 & T2

Imperatives		T1	T2	ΔT1-T2	*P value
Domestic sport rank	$\bar{X}$	3.56	3.59	.031	
	S.D.	1.50	1.48	.309	
Number of members	$\bar{X}$	58,443.53	55,663.66	-2,779.88	
	S.D.	111,355.28	101,889.18	18,126.63	
Number of coaches	$\bar{X}$	4,220.56	5,260.03	1,039.47	.0082
	S.D.	6,087.38	7,780.19	2,082.24	
Media visibility	$\bar{X}$	18.38	28.66	10.28	.0221
	S.D.	35.43	55.23	24.14	
Total costs	$\bar{X}$	619.13	708.90	89.77	.0007
	S.D.	928.81	1,063.49	134.68	

*The P values are only noted for imperatives which show a significant difference between T1 and T2.

Table 5.2. Means & Standard Deviations of the Differences Between T1 & T2 According to Strategic Types

Imperatives		Sample	Enhancers	Refiners	Innovators	Explorers
			N=7	N=4	N=16	N=5
Domestic sport rank	$\bar{X}$	.031	0	0	0	.20
	S.D.	.309	0	0	.37	.45
Number of members	$\bar{X}$	-2,779.88	-15,017.14	937.25	-1,035.63	5,797.00
	S.D.	18,126.63	34,661.82	3,039.43	9,204.91	6,294.39
Number of coaches	$\bar{X}$	1,039.47	2,001.43	3,217.25	229.25	543.20
	S.D.	2,082.24	2,147.47	4,608.82	245.82	1,109.63
Media visibility	$\bar{X}$	10.28	3.57	47.50	2.94	13.40
	S.D.	24.14	9.80	56.09	4.42	15.74
Total costs	$\bar{X}$	89.77	19.80	200.64	37.91	265.00
	S.D.	134.68	17.96	244.38	24.40	151.86

Table 5.3. Standardized Data for the Sample along T1, Tplan, and T2

Imperatives		T1	Tplan	T2	P value**
Domestic sport rank	$\bar{X}$	50.00	69.40	50.34	
	S.D.	15.00	23.03	14.78	
Number of members	$\bar{X}$	50.00	92.13	49.63	
	S.D.	15.00	15.00	13.72	
Number of coaches	$\bar{X}$	50.00	89.61	52.56	.008
	S.D.	15.00	15.00	19.17	
Media visibility	$\bar{X}$	50.00	92.74	54.35	.022
	S.D.	15.00	15.47	23.38	
Total costs	$\bar{X}$	50.00	90.02	51.45	.001
	S.D.	15.00	15.02	17.17	

*T1 data were standardized to a mean of 50 and a standard deviation of 15. For Tplan, the standardized planning data was added to T1's standardized data. T2 data were standardized using T1 as the baseline.

**The P values are only noted for imperatives which show a significant difference between T1 and T2.

Table 5.4. T1, Tplan, and T2 Descriptive Statistics for Enhancers*

Imperatives		T1	Tplan	T2	P value**
Domestic sport rank	$\bar{X}$	64.40	84.51	64.40	
	S.D.	0		0	
Number of members	$\bar{X}$	60.87	103.00	58.85	
	S.D.	21.20		17.83	
Number of coaches	$\bar{X}$	66.73	106.34	71.66	.049
	S.D.	23.28		28.44	
Media visibility	$\bar{X}$	49.00	91.59	50.51	
	S.D.	6.43		8.62	
Total costs	$\bar{X}$	42.21	82.21	42.53	.027
	S.D.	2.00		2.29	

*T1 data were standardized to a mean of 50 and a standard deviation of 15. For Tplan, the standardized planning data was added to T1's standardized data. T2 data were standardized using T1 as the baseline.
**The P values are only noted for imperatives which show significant difference between T1 and T2.

Table 5.5. T1, Tplan, and T2 Descriptive Statistics for Refiners*

Imperatives		T1	Tplan	T2	P value**
Domestic sport rank	$\bar{X}$	61.90	81.30	61.90	
	S.D.	5.00		5.00	
Number of members	$\bar{X}$	66.41	108.54	66.53	
	S.D.	21.39		21.13	
Number of coaches	$\bar{X}$	58.43	98.04	66.36	
	S.D.	9.05		20.33	
Media visibility	$\bar{X}$	81.70	124.52	101.81	
	S.D.	24.25		41.36	
Total costs	$\bar{X}$	62.35	82.01	65.59	
	S.D.	27.22		10.00	

*T1 data were standardized to a mean of 50 and a standard deviation of 15. For Tplan, the standardized planning data was added to T1's standardized data. T2 data were standardized using T1 as the baseline.
**No significant differences between T1 and T2 were found.

Table 5.6. T1, Tplan, and T2 Descriptive Statistics for Innovators*

Imperatives		T1	Tplan	T2	P value**
Domestic sport rank	$\bar{X}$	43.15	61.92	43.15	
	S.D.	13.60		12.58	
Number of members	$\bar{X}$	43.36	85.49	43.23	
	S.D.	1.69		1.00	
Number of coaches	$\bar{X}$	42.71	82.32	43.27	.002
	S.D.	2.58		2.96	
Media visibility	$\bar{X}$	43.52	86.36	44.76	.018
	S.D.	2.36		3.33	
Total costs	$\bar{X}$	44.22	84.24	44.84	.000
	S.D.	2.72		3.11	

*T1 data were standardized to a mean of 50 and a standard deviation of 15. For Tplan, the standardized planning data was added to T1's standardized data. T2 data were standardized using T1 as the baseline.
**The P values are only noted for imperatives which show significant difference between T1 and T2.

Table 5.7. T1, Tplan, and T2 Descriptive Statistics for Explorers*

Imperatives		T1	Tplan	T2	P value**
Domestic sport rank	$\bar{X}$	42.40	62.80	44.40	
	S.D.	16.43		18.71	
Number of members	$\bar{X}$	42.89	85.02	43.67	
	S.D.	0.60		1.25	
Number of coaches	$\bar{X}$	43.17	82.78	44.51	
	S.D.	3.50		6.09	
Media visibility	$\bar{X}$	46.80	89.39	52.47	
	S.D.	5.69		12.29	
Total costs	$\bar{X}$	69.52	109.54	73.80	.018
	S.D.	16.91		19.37	

*T1 data were standardized to a mean of 50 and a standard deviation of 15. For Tplan, the standardized planning data was added to T1's standardized data. T2 data were standardized using T1 as the baseline.
**The P values are only noted for imperatives which show significant difference between T1 and T2.

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CHAPTER 6
Conclusion

Strategy in the nonprofit sector has experienced a recent surge in interest on the part of researchers (cf. Butler & Wilson, 1990; MacMillan, 1983; Montanari & Bracker, 1986; Wilson & Butler, 1986). In tracking research articles published on the strategy process within nonprofit organizations, Stone and Crittenden (1992) found that researchers were devoting greater attention to this topic area in recent years than they were in the past. The increased interest may be best explained by Bryson's (1988, p. 1) arguments that

> [t]he environments of public and nonprofit organizations have become not only increasingly turbulent in recent years but also more tightly interconnected; thus, changes anywhere in the system reverberate unpredictably--and often dangerously.

According to Bryson, the turbulence he refers to, requires strategic responses. The formulation of strategies followed by their implementation allows senior managers of nonprofit organizations to address the turbulence in their organizations' environment. In essence, the notion of fit between the organization's strategy and its environment is what managers working in the profit or the nonprofit sector should strive for. As Venkatraman and Prescott (1990, p. 15) note, "the performance implications of environment-strategy coalignment is an intuitively appealing and generally accepted axiom." Like many other authors (cf. MacMillan, 1983; Mintzberg, 1987; Montanari & Bracker, 1986), Butler and Wilson (1990, p. 165) explained the importance of the environment in the strategic process when they state that "strategies and organizational structures must reflect the adaptive stance taken toward the environment in order to ensure survival and avert decline."

Addressing the external environments of organizations presents a number of challenges for organizations. The assessment of the organizations' opportunities and threats is required on the part of senior managers if appropriate strategies are to be developed (cf. Higgins & Vincze, 1989; Kearns, 1992; Montanari & Bracker, 1986). As such, the formulation and implementation of strategies in organizations is a very complex phenomenon.

As proof, the findings of the previous four chapters clearly show the intricacies and challenges faced by senior managers in sport organizations as they formulate and implement strategies. The overall purpose of these chapters was to investigate the process of strategy formulation and implementation in a sample of nonprofit organizations. Using the example of 32 Canadian national sport organizations and their domestic sport quadrennial plans, the research project focused on the study of several issues surrounding strategic planning. The following section summarizes the research findings.

Summary of the findings

In the first part of the research project, a theoretical framework was developed as a tool to further understand strategy formulation in sport organizations. By identifying key strategic imperatives for the domestic sport activities of national sport organizations, a number of variables necessary to identify the environment of these organizations were proposed. In an analysis of the environment of nonprofit sport organizations, several imperatives were identified. These imperatives consisted of fundability, size of client base, volunteer appeal, support group appeal, equipment costs, and affiliation fees. Grouped under two theoretical dimensions, program attractiveness and competitive position, these imperatives served to determine the domestic sport environment of the national sport organizations (NSOs). The two dimensions were juxtaposed on a graph and by identifying low/high levels of program attractiveness and weak/strong competitive positions, four strategic types were proposed, enhancers, refiners, innovators, and explorers. The characteristics of each of these types were outlined in Chapter 2.

In the second part of the study, this framework was "tested". In other words, an empirical verification of this framework was undertaken. This verification involved the operationalization of the imperatives and the collection of data on each of these imperatives. Using these data, a principal components analysis was carried out to confirm the two theoretically-derived dimensions. By retaining the components scores for each case included in the sample, it was possible to identify the environment of NSOs and, furthermore, to plot the cases on a graph along the dimensions of program attractiveness and competitive position. From this environment, it was possible to identify the organizations' starting point for their domestic sport

activities. The results led us to a discussion of the existence of pure strategic type. As several NSOs in certain strategic types were close to the borders of other strategic types, it was speculated that these organizations would most likely exhibit the characteristics of more than one strategic type.

The third part of the research project addressed similarities and differences between starting points and planned strategies. In order to compare these strategies, the contents of the NSOs' strategic plans were analyzed. Specifically, the assessment of NSOs' environment before the development of their domestic sport strategy (as uncovered in the second part of the research project) was compared with the organizations' desired end point. This comparison allowed the researcher to examine the extent to which the senior managers of the organizations considered their domestic sport environment prior to the development of their strategic plans. From the results of this study, it was clear that NSOs focused predominantly on the dimension of program attractiveness regardless of their domestic sport environment. Program attractiveness was of greater concern to the senior managers of NSOs than competitive position. In explaining these results, a discussion of the difficulties associated with modifying the competitive position of the NSOs was undertaken. The costs involved in participating in a sport appear, to a certain extent, to be beyond the control of the NSOs' senior managers. In contrast, managers do have access to the necessary systems and the mechanisms to effect changes to the imperatives under the dimension of program attractiveness.

In addition to a discussion of the importance attributed to program attractiveness relative to competitive position, a discussion of pursuing dual strategies was undertaken. Even though the overall focus was on program attractiveness, a number of NSOs planned to make changes to both dimensions, program attractiveness and competitive position. Following the arguments of researchers such as Miller (1992) and Murray (1988), undertaking strategies to change both dimensions was seen as within the capabilities of these organizations.

The fourth part of the research project dealt with issues of performance and strategy implementation. An analysis of the environment prior to the formulation of the strategy, the content of plans, and the environment following the first period of implementation of the planned strategies was undertaken. The results of this analysis revealed that very few changes in the

strategic imperatives of NSOs occurred during the implementation of the strategic plans. In general, the lack of change was attributed to the focus that most NSOs have maintained over the years on high performance sport. Furthermore, senior managers of NSOs must work in cooperation with their provincial sport organizations colleagues, as well as with the individuals in local sport organizations in order to develop domestic sport. These stakeholders must be involved from the start of the strategic planning process if they are to be full participants in the implementation of the strategy. As well, because of pressures originating from sources such as the federal government (i.e., funding), the private corporations (i.e., sponsorship), and the media (i.e., coverage, visibility), organizations pursue the activities with which they have the opportunity to gain recognition. For NSOs, it was argued that high performance sport allows better access to funding, sponsorship, and coverage than domestic sport. As a result, the exercise of strategic planning undertaken for domestic sport has not, yet, produced the desired results.

Even though these four studies contribute to a greater understanding of the processes of strategy formulation and implementation within nonprofit organizations in general and nonprofit sport organizations in particular, there is a number of elements which were not addressed in the studies. In hindsight, these elements would have further contributed to our understanding of the nonprofit organizations. Consequently, in future studies, a number of recommendations are put forth.

Recommendations for future research

From the various findings and conclusions of the previous four chapters, there are clearly areas, which were either beyond the scope of the research project or simply overlooked, that need to be addressed in greater detail in subsequent research ventures. Six particular areas have been identified: implementation and change, strategic choice, alternative approaches, consistency in strategies, internal organizational strengths and weaknesses. and stakeholders.

Implementation and change: More research is needed in the implementation process of the domestic sport strategic plans. As suggested by Stone and Crittenden (1992), "strategy implementation appears to be an area where much more research is needed and where research on nonprofit

organizations could contribute greatly to our more general understanding of implementation in politicized or conflictual context" (p. 14).

The study undertaken on the implementation of domestic sport strategies in the NSOs (see Chapter 5) was a starting point. Changes in the environment of NSOs during the first part of the implementation process provided insight into the issue of performance in organizations however, there is a need to pursue this area of research. Even though the changes which did occur were not in the planned direction or were not to the desired extent, further research in NSOs may substantiate or negate the arguments presented in the fifth chapter. An assessment of the organizations' domestic sport environment following the completion of the implementation process has to be undertaken in order to fully understand the intricacies involved in implementing the NSOs' domestic sport strategies.

Strategic choice: Since administrators are usually behind the decision to initiate the process of strategy formulation and are involved in developing the strategy, a focus on the role that individuals play in strategy-making is important. Considering the values and interests of the managers or leaders responsible for the development of the strategy is necessary for furthering our understanding of strategy formulation and implementation in organizations (cf. Hinings & Greenwood, 1988; Mintzberg, 1990).

As Miles and Snow (1978), explain, "the perceptions and choices of the dominant coalition concerning both the organization itself and external conditions can play a crucial role in linking the organization to its environment" (p. 245). The notion of strategic choice is not new. Child (1972) introduced it as an important variable to consider in the analysis of organizations. For Child, the analysis can not ignore the key role played by the dominant coalitions (key decision makers) in determining the structure and processes of the organizations. As part of the dominant coalition, key individuals in organizations make important decisions about the structure and the design of work. The choices these individuals make have important consequences for the organizations. As well, their perceptions of key administrators about the environment and how it affects the organization will have some serious consequences for the organizations.

The list of imperatives selected for the strategy framework developed in Chapter 2 did not include the variable "individual". As such, our research on strategy formulation and implementation has not considered the values,

interests, and power of administrators in organizations responsible for undertaking domestic sport strategies of NSOs. It would be interesting and valuable to focus on this element in future studies as it may uncover another key source of influence on the process of strategy formulation. Determining the role of individuals in strategy-making would be particularly challenging in nonprofit organizations such as Canadian sport organizations since one would expect to find two groups of individuals involved in the process, the volunteers from the executive committee and the top paid staff of the organization. The involvement of these two groups of individuals may add to the dynamics of the strategy formulation and implementation process.

Alternative approaches: The topic of domestic sport strategies within nonprofit sport organizations could have been studied using different theoretical approaches. This is a particularly relevant point since NSOs have not, two years into their implementation process, displayed any major changes in their strategic imperatives. The arguments postulated in Chapters 4 and 5 with respect to the findings lead us to suggest alternative theoretical approaches to investigate the strategy formulation and implementation in NSOs. Specifically, a power dependency approach (cf. Pfeffer, 1981; Pfeffer and Salancik, 1978), and institutionalization approach (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Oliver, 1991) could have been pursued to analyze domestic sport strategies in NSOs. The use of these alternative approaches may shed some light on factors facilitating or inhibiting the strategy process in NSOs. As well, they may lead us to different conclusions about the exercise of domestic sport strategic planning in NSOs.

Consistency in strategies: The investigation of NSOs' domestic sport strategy was undertaken in isolation from the strategies of other programs and/or activities of the organizations. As suggested by Mintzberg and Quinn (1991), there needs to be a high degree of consistency between the various elements which make up the overall strategy of the organizations. By choosing to study domestic sport strategy, the coherence between this strategy and the strategies of other programs or activities of the sport organizations as well as the mission, goals, objectives, and policies of these organizations was not taken into account. In the future, an analysis of the content of these strategic elements would allow us to determine the consistency or coherence between the elements.

In other words, focusing only on the strategy of one activity of the NSOs, such as domestic sport, does not allow us to determine the extent to which domestic sport is part of the overall mission, goals, and objectives of the organizations. If domestic sport is not included in the goals or objectives of the NSOs, then it is difficult to conceive a successful implementation of that particular strategy.

Internal organizational strengths and weaknesses: It is important to note that internal strengths and weaknesses in NSOs were not specifically addressed in the strategic imperatives used to investigate strategies. As a number of researchers have pointed out (cf. Higgins & Vincze, 1989; Kearns, 1992), in order to develop appropriate strategies, an analysis of strengths, weaknesses, opportunities, and threats is highly recommended. In the four previous chapters, the internal strengths and weaknesses of NSOs' domestic sport activities were not directly considered. Thus, the strategic types proposed in the framework were derived from the assessment of NSOs' external imperatives. Even though some elements of strengths and weaknesses can be extrapolated from some of the external imperatives studied, a more comprehensive analysis of these could have been undertaken for a complete overview of NSOs' domestic sport situation.

Stakeholders: In addition to issues of implementation and change and strategic choice, it is also important, in the environment of nonprofit organizations, to consider stakeholders, particularly in light of the role they play in the strategy-environment match. In order to service the various stakeholders, administrators of nonprofit organizations have to, not only be in a position to identify all the stakeholders involved, but also to determine their needs and to devise appropriate ways to deal with those needs (cf. Robbins, 1990).

For NSOs, the stakeholders may include athletes, coaches, officials, government, and other organizations providing resources (e.g., corporations, municipalities, school boards and schools, local sport organizations, provincial sport organizations). As suggested by members of the most recent task force on sport (Task Force Report, 1992), the role played by these and other stakeholders is important. If NSOs are to develop a complete sport delivery system, all stakeholders must be considered. The implementation process would be greatly facilitated as cooperation from these groups may be elicited around common goals and courses of actions (cf. Mintzberg, 1987).

In the past, the exclusion of some stakeholders in the decision making processes of the amateur sport delivery system was an issue of control and jurisdiction. Campagnolo's (1979) white paper is an excellent example of the specific roles and responsibilities attributed to various stakeholders. Even though these roles and responsibilities were not widely accepted or assumed, it set the tone for many conflicts between various stakeholders for a number of years as issues of control surfaced (cf. Macintosh et al., 1987). Recent initiatives in the amateur sport system are promoting the notion of shared responsibility for the development and delivery of programs (cf. Task Force Report, 1992). As such, the future of domestic sport, as well as the entire sport system appears bright. The following section highlights the recent developments in amateur sport that may impact the future development of domestic sport.

The future of domestic sport in the Canadian amateur sport system

The increased interest in domestic sport by the sport community combined with the introduction of a long range planning program specific to domestic sport for national sport organizations (NSOs) prompted this research project on the phenomenon of strategy formulation and implementation in these organizations. Even though several questions were raised with respect to the commitment of NSOs' senior managers about the implementation of domestic sport strategies, the sport community still promotes the involvement of NSOs and other organizations in domestic sport activities. As such, the future of domestic sport within the sport delivery appears, through various documents, to benefit from a recently accrued importance.

The documents that followed Dubin's (1990) report are proof of the sport community's concerns about this area of sport. For example, a document produced by a parliamentary sub-committee on Fitness and Amateur Sport concentrated its efforts on reactions to the 1988 Task Force Report and to the Dubin report (Porter & Cole, 1990). The sub-committee's investigation focused on an overview of the organization of amateur sport in Canada, on an analysis of the key elements affecting the management of the sport sector, and on the role of the government in sport at the national and international levels. Given the timing of the report, the arguments postulated in it, and the recommendations proposed, Porter and Cole's work served to reinforce what Dubin had presented a few months earlier. In

essence, these two reports were indicative of the high level of consensus shared among key actors in the system.

The documents produced following Sport Forum I, II, and III (1991, 1991, 1992) were further evidence of this high degree of consensus. With wide representation from 63 organizations, nearly 100 individuals took part in the Sport Forum I workshops aimed at re-assessing the amateur sport system (Sport Forum I, 1991). The conclusions of this first sport forum focused predominantly on the nature of the relations between amateur sport and government and on doping sanctions and the anti-doping agency (now the Canadian Centre for Drug-free Sport). The second Sport Forum included 200 individuals from the sport community. These individuals were responsible for the development of a new collective vision for amateur sport in Canada. This collective vision touched on issues such as developing national goals, removing roadblocks, fostering a new relationship with the government, changing sport organizations, establishing links with educational institutions, improving the communication network, enhancing relations with athletes and pursuing a leadership role internationally (Sport Forum II, 1991). Sport Forum III was attended by more than 250 leaders from the sport community. Particular attention was given to ensure representation from specific groups of individuals who had been, in the past, excluded from the consultation process (e.g., aboriginal people, francophones, people with a disability, racial and ethnic minorities, and women). The purpose of this forum was to operationalize the vision agreed upon in the previous forum. The operationalization focused on the creation of a Canadian Sport Coalition. This organization is set to become "the collective voice for the sport coalition and to represent the coalition members in the development and implementation of a national plan for sport in collaboration with other partners" (Sport Forum III, 1992, p. 3).

Concurrent with the Sport Forums, a task force on federal sport policy created by the Minister of State for Fitness and Amateur Sport, was initiated. The mandate of this task force was to address "the purpose and place of sport in our society, the values and ethics that should shape and underpin its future conduct, and the roles and responsibilities of each partner" [involved in amateur sport] (Task Force Report, 1992, p. 11). In addition, this task force was to focus on "the role and relationships of the government in support of sport development in Canada and the public policy ramifications therein"

(Task Force Report, 1992, p. 11). With the input of key individuals in the sport community, members of the task force proposed several changes to the sport system. These changes are congruent with the work achieved in the Sport Forums and with some of the recommendations proposed in the 1988 Task Force Report and in the Dubin Report.

In considering the previous reports, members of the 1992 Task Force Report recommended major changes in the amateur sport system. An important change proposed was the need to devote greater attention to domestic sport in order to redress a balance in the amateur sport delivery system. In essence, members of the task force believed that there should be some degree of flow within the system where both domestic sport and high performance sport play a collaborative role in the provision of this balanced system. As summarized in this report,

> a barrier-free continuum and an athlete-oriented approach will provide for athletes throughout the spectrum [recreational sport through high performance sport]. Recreational sport [including domestic sport] will be supported because it provides the cultural and societal support and participant involvement to make sport work. The physical activity base will lead to high performance sport as a natural consequence derived from the growth in skill development, human development, the competition urge and sport as a source of community and national pride. (Task Force Report, 1992, p. 27)

The idea of a continuum between recreational sport and high performance sport is in line with the complementary nature of both domestic sport and high performance sport within the Canadian sport delivery system. Perhaps, the introduction of Sport Canada's 1988-92 revised Quadrennial Planning Program was a step towards the development of a holistic amateur sport system. Through this planning program, Sport Canada encouraged NSOs to develop long term plans for their high performance sport activities, their domestic sport activities, and their management component.

Every initiative taken in the amateur sport delivery system since the start of the formal domestic sport planning program has promoted the idea for NSOs and government alike to foster the development of domestic sport.

Unfortunately, these documents appear to only pay "lip service" to that aspect of amateur sport in Canada.

From the results of the research project, it is clear that when it comes to plans, NSOs are ambitious about further developing their domestic sport activities. However, after an analysis of the initial plan implementation period, very few changes have occurred within NSOs' strategic domestic sport imperatives. Members of NSOs displayed a sense of commitment towards strategy formulation, not necessarily towards the implementation of this strategy. In fact, given the small changes which occurred in NSOs during plan implementation, the involvement of senior managers in the process of formulating strategies appears to have been undertaken ceremoniously. When comparing the content of the strategic plans with the accomplishments made by the members of these organizations with respect to domestic sport programs during the implementation process of the plans, the extent of the commitment to effect real change is questionable.

In conclusion, Stone and Crittenden (1992) summarize well the key issues raised in this chapter and in previous chapters. They argue

> that research on nonprofit management is especially relevant at this time because it is broadly applicable across a number of organizational settings. Coping with resource scarcity, environmental dynamism, conflictual stakeholders, unclear governance structures, and strongly held value systems, to name a few, are issues that face many of our corporations entrepreneurial firms, and public sector agencies. Research on the strategic management of nonprofit organizations is needed, then, not just because we do not know enough about this sector but because some of its prevalent characteristics are especially germane to what other organizations face in the 1990s and beyond. (1992, , p. 22-23)

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Appendix A

List of national sport organizations in the sample and their acronyms

Canadian Badminton Association **BA**
Bobsleigh Canada **BO**
Canadian Canoe Association **CA**
Curl Canada **CU**
Canadian Cycling Association **CY**
Canadian Amateur Diving Association **DI**
Canadian Equestrian Federation **EQ**
Field Hockey Canada **FH**
Canadian Figure Skating Association **FS**
Football Canada **FO**
Canadian Amateur Hockey Association **HO**
Canadian Lacrosse Association **LA**
Lawn Bowls Canada **LB**
Canadian Luge Association **LU**
Canadian Rhythmic Sportive Gymnastics Federation **RG**
Rowing Canada Aviron **RO**
Canadian Rugby Union **RU**
Alpine Canada Alpin **AS**
Biathlon Canada **BI**
Canadian Ski Association - Freestyle **FSki**
Canadian Ski Association - Ski Jumping **SJ**
Cross Country Canada **XCS**
Canadian Soccer Association **SC**
Softball Canada **SF**
Canadian Amateur Speed Skating Association **SS**
Swimming Canada **SW**
Synchro Canada **SY**
Canadian Team Handball Federation **TH**
Tennis Canada **TE**
Canadian Volleyball Association **VO**
Water Polo Canada **WP**
Canadian Yachting Association **YA**

Appendix B

Questionnaire for plan analysis

Please rate the following items according to their degree of importance in the domestic sport planning profile of the NSOs. To rate these items, use the following scale:

0 = NOT IMPORTANT: to be scored 0, there must be no mention of the item in the plan.

1 = VERY LOW IMPORTANCE: to be scored 1, this item is mentioned in a paragraph of the planning profile. This item is not the major theme of a paragraph; it is mentioned in the text of one paragraph.

2 = LOW IMPORTANCE: to be scored 2, this item is mentioned in, at least two paragraphs of the planning profile. This item is not the major theme of a paragraph; it is mentioned in the text of at least two paragraphs.

3 = MODERATE IMPORTANCE: to be scored 3, this item must be the major theme of one paragraph of the planning profile. This item is not mentioned in the text of other paragraphs.

4 = HIGH IMPORTANCE: to be scored 4, this item must be the major theme of a paragraph of the planning profile. This item must also be mentioned in the text of one or more other paragraphs.

5 = VERY HIGH IMPORTANCE: to be scored 5, this item must be the major theme of two paragraphs. This item may also be mentioned in the text of other paragraphs.

6 = EXTREME IMPORTANCE: to be scored 6, this item must be the major theme of more than two paragraphs. This item may also be mentioned in the text of other paragraphs.

ITEMS DEALING WITH PROGRAM ATTRACTIVENESS

Domestic sport rank	-Government
Number of members	-Programs -Competitions -Support to members
Number of coaches	-Coaching
Media visibility	-Media -Marketing -Promotion

ITEMS DEALING WITH COMPETITIVE POSITION

Total costs	-Facilities -Equipment -Costs of the sport